



General Assembly

Distr.: General
20 April 2001

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Guam

Working paper prepared by the Secretariat

Contents

	<i>Paragraphs</i>	<i>Page</i>
I. Background information	1-4	3
A. Geography	1	3
B. History	2	3
C. Population	3-4	3
II. Constitutional, legal and political issues	5-19	3
A. General	5	3
B. Constitutional structure	6-8	3
C. Legal system	9-10	4
D. Political parties and elections	11	4
E. Political issues	12-19	4
III. Budget	20-22	6
IV. Economy	23-52	6
A. General	23-30	6
B. Primary economic sectors	31-36	7
C. Finance	37-41	8
D. Transport and communications	42-49	9
E. Water system, sanitation and utilities	50-52	10



V.	Military issues	53-56	10
VI.	Land issues	57-59	11
VII.	Social conditions	60-82	11
	A. General	60-62	11
	B. Labour	63-67	12
	C. Education	68-69	12
	D. Public health	70-74	13
	E. Housing	75	13
	F. Immigration	76-78	13
	G. Human rights and related issues	79-80	14
	H. Crime	81-82	14
VIII.	Environment	83-86	15
IX.	Relations with international organizations/arrangements	87-89	15
	A. United Nations system	87	15
	B. Regional organizations/arrangements	88-89	16
X.	Future status of the Territory	90-95	16
	A. Position of the territorial Government	90-91	16
	B. Position of the administering Power	92-94	16
	C. Action taken by the General Assembly	95	17

I. Background information

A. Geography

1. Guam¹ is the southernmost and largest of the Mariana Islands in the Pacific, situated about 1,350 miles south of Tokyo and 3,700 miles west-south-west of Hawaii. It consists of a single island of approximately 212 square miles. It comprises two distinct geological areas of about equal size. The northern part of the island is a high coralline limestone plateau and contains the northern water lens, capable of supplying plenty of fresh water. The southern region is mountainous. Apra Harbour, which is located on the central western side of the island, is one of the largest protected harbours in the Pacific and is considered to be the finest deep water port between Hawaii and the Philippines. The capital city of Guam is Hagåtña, changed from Agana in June 1998 by the Congress of the United States of America at the request of Guam's delegate. Hagåtña more precisely reflects the indigenous Chamorro language pronunciation.

B. History

2. Guam was visited probably in 1521 by the Portuguese navigator Ferdinand Magellan, who claimed it for Spain. Spain formally annexed Guam in 1565. In 1898, by the terms of the Treaty of Paris at the end of the Spanish-American War, Spain ceded the island of Guam to the United States. Through an executive order of the President, the island of Guam was placed under the direct administration of the Department of the Navy on 2 December 1898. The Japanese captured Guam in 1941 during the Second World War. It was retaken by American forces in 1944.²

C. Population

3. According to the Department of Public Health and Social Services, the United States Census Bureau estimated Guam's population to be 154,620 in 2000, taking into account immigration records. The Census Bureau figures for 1999 record a population of 151,968. This included 4,184 births, 626 deaths, 827 net migrants, for a population change of 2,731 over 1998.³ Results from the 2000 United States national census for Guam are expected to be delivered in

September 2001.⁴ The ethnic and racial composition of Guam's population is 47 per cent Chamorro (who are indigenous to the Territory), 25 per cent Filipino, 10 per cent white and 18 per cent Chinese, Japanese, Micronesian (from States freely associated with the United States), Korean and other groups (the United States controls immigration directly, as described in paras. 76-78 below).⁵ The Chamorro are basically Micronesian in origin. There are also a substantial number of Micronesian islanders from nearby islands and several thousand Vietnamese and East Indians.⁶ English and Chamorro are the official languages.

4. Most of the population are Christians, principally (90 per cent) Roman Catholic. Other major religious denominations are Baptist, Seventh-Day Adventist, Latter-day Saints and Episcopalian. There are some Jews, Buddhists, Muslims and Jehovah's Witnesses.⁷

II. Constitutional, legal and political issues

A. General

5. Guam was administered by the United States Department of the Navy until 1950, when the United States Congress enacted the Guam Organic Act, which established institutions of local government and made Guam an organized Territory. Since then, the Territory has been administered by the Department of the Interior. Guam is an unincorporated Territory since not all provisions of the United States Constitution apply to the island. As an unincorporated Territory, in United States law Guam is a "possession of the United States but not a part of the United States".

B. Constitutional structure

6. Guam has a locally elected Government, which comprises separate executive, legislative and judicial branches. Universal suffrage with respect to local elections applies to Guamanians 18 years and older. Guamanians are citizens of the United States, but are not eligible to vote in the United States presidential elections while resident in the Territory. The people of Guam elect a Governor, who serves a four-year term. Guam elected its first Governor in 1970. The Governor is responsible for the general supervision and control of the executive branch and submits an annual report to

the Secretary of the Interior for transmission to Congress. The Governor may issue executive orders and regulations, recommend bills to the Legislature, make his views known to that body and veto legislation.

7. The people also elect 15 senators (as of 1998, when the people of the Territory voted in a referendum to reduce the size of the Legislature from 21), who serve two-year terms in a unicameral Legislature. The Legislature may override the Governors' veto. Under the Organic Act of 1950, the United States Congress reserves the authority to annul any law enacted by the Guam Legislature.

8. In 1972, a new law gave Guam one non-voting delegate to the United States House of Representatives. The delegate, who serves a two-year term, may vote in committee but not on the floor of the House.

C. Legal system

9. The local judicial system is made up of a Superior Court and a Supreme Court led by judges appointed by the Governor and confirmed by the Legislature. Local judges are subject to confirmation by the voters every six years. A District Court judge, appointed by the President of the United States, is the head of the United States District Court for Guam. In 1998, Congress adopted an amendment to the Organic Act allowing the Guam Legislature to elect its own attorney-general in 2002.

10. In February 2001, Guam's delegate to the United States Congress, Robert Underwood, reintroduced a bill, the Guam Judicial Empowerment Act, which would create a Guam Supreme Court that was separate from the Legislature's statutory management. The bill would also make the Supreme Court the ultimate appellate authority on Guam and the administrative authority over the judicial system. Currently, the Guam Supreme Court is a government agency created by the Legislature, while the Superior Court administers the judicial branch. According to Congressman Underwood, this arrangement makes the Supreme Court susceptible to political interference, while his bill would create clearer lines of separation between the judicial and legislative branches. Versions of the bill have been proposed in the past, but they were blocked in committee by a chairman who believed that Guam should resolve the issue by adopting a

Constitution rather than by amending the Organic Act, which the proposed bill would do (see para. 14 below).⁸

D. Political parties and elections

11. Guam has two main political parties, the Republican Party and the Democratic Party, which are local chapters of the two main United States political parties. In the most recent election, in November 1998, Democrat Carl T. C. Gutierrez won re-election to the post of Governor against Republican candidate Joseph Ada, while the Republican Party won 12 of the 15 seats in the Guam Legislature.

E. Political issues

12. Guam has long been seeking to change its political status relative to the United States. In a 1976 referendum, Guamanians decided to maintain close ties with the United States, but to begin negotiations to improve the Territory's status. In 1979, the people of Guam rejected a draft constitution by a margin of five to one, mainly on the grounds that the question of political status had to be resolved before a meaningful constitution could be drafted.⁹ In a 1982 run-off referendum, 73 per cent of voters opted to pursue commonwealth status with the United States. According to the Commission on Self-Determination, established in 1984 to draft a commonwealth agreement, this status was intended to be an "interim" status that would provide an opportunity for Guam to structure a better relationship with the United States.

13. In May 1986, the Commission on Self-Determination completed a draft Commonwealth Act, which, after a public education campaign, was submitted to an article-by-article vote on 8 August 1987 (see A/AC.109/1192, paras. 19-37). Voters approved the central proposal, but rejected articles empowering the Government of Guam to restrict immigration and granting the indigenous Chamorro people the right to determine the future political status of the Territory. In a further referendum in November 1987, both of these outstanding provisions were approved after they were amended and rewritten.

14. The draft Commonwealth Act attempted to create a political entity under United States sovereignty that was to be established by mutual consent of both parties

and which could not be changed at will by the United States; the Commonwealth of Guam was to be recognized as separate and self-governing by the United States courts. It included a mutual consent clause, whereby the Act could only be changed if both sides agreed. The Commonwealth Act further called for an end to United States immigration to Guam, the return of Guam land not actively used by the United States, relief from United States maritime laws and recognition of the right of the colonized Chamorro people to exercise self-determination in view of Guam's decolonization. It also proposed to establish a clearer structure to the political relationship between Guam and the United States, as opposed to the current vague provisions of the territorial clause of the United States Constitution, under which Congress has authority to "dispose of and make all needful rules and regulations" pertaining to United States Territories.

15. Negotiations between the Guam Commission on Self-Determination and the United States Government over the draft Commonwealth Act began again in 1989 and continued through 1997 without resolution (see A/AC.109/2000/6, paras. 19-22, A/AC.109/1192, paras. 19-37 and A/AC.109/2018, paras. 74-83). According to a statement made by Governor Gutierrez to the House Resources Committee of the 105th Congress in October 1997, the position of the United States executive branch with regard to the draft Act has essentially been that it was unconstitutional insofar as it did not recognize Congress' plenary authority over Guam. In 1997 negotiations between Guam and the United States executive branch ended and Guam leaders appealed to Congress to hear the bill that contained the Commonwealth Act. Governor Gutierrez told the House Committee on Resources that Guam had tried for eight years, at the Congress' direction, to work with the executive branch in moving beyond the status quo. The official position of the Clinton Administration, however, had fallen far short of what Guam was seeking, and did not address the question of a fundamental transformation in the relationship.¹⁰ (The position of the Clinton Administration with regard to the draft Commonwealth Act is presented in document A/AC.109/2000/6, para. 101.) A report on the congressional hearing was never published and no discussions on the draft Guam Commonwealth Act have been held since that time.

16. In 1997, Guam public law 23-147 established a Commission on Decolonization for the Implementation

and Exercise of Chamorro Self-Determination. This Commission, in concert with a process of registration of eligible voters by the Guam Election Commission, was to oversee the conduct of a vote on the Chamorro people's status preferences of independence, integration or free association in accordance with international standards. Guam's political leaders agreed to delay this process in 1997 and 1998 while congressional consideration of the draft Guam Commonwealth Act was under way.

17. In 2000, the Guam Legislature provided the Guam Election Commission with the power to set the date of the decolonization plebiscite. Subsequently, the Commission decided to postpone the plebiscite until September 2002 in order to allow time to register eligible voters and to conduct an education campaign. The plebiscite would ask the Territory's indigenous people, defined by law as persons or descendants of persons who were in Guam at the time of the United States ratification of the Treaty of Peace with Spain in 1898, and/or persons or descendants of persons who received United States citizenship pursuant to the Organic Act of 1950, to choose between statehood, independence or free association with the United States. The plebiscite would be non-binding but would set the course of any future status negotiations with the administering Power.¹¹

18. As is described under the relevant sections below, Guam has been able to address some practical problems arising from its political relationship with the administering Power by sponsoring legislation in the United States Congress or petitioning the federal agencies for regulatory changes. Clauses related to the disposal of excess federal land in the Guam Omnibus Opportunities Act, and Food and Drug Administration regulation changes regarding the importation of betel nut,¹² are examples. This ad hoc approach, however, is relevant only to technical issues rather than structural ones. Furthermore, the approach depends on the disposition of the administering Power to consider the issues raised by Guam. For example, a proposal to reform the taxation of foreign direct investment in Guam was not enacted by the United States Congress, resulting in the perpetuation of a disadvantage in Guam's taxation regime relative to that of other states.

19. Another development during the review period with regard to Guam's political status was the introduction by Guam's representative to Congress of a bill, the Insular Area Oversight Avoidance Act, which

would require the Office of Management and Budget to provide an explanation each time any of the Territories was excluded from Presidential initiatives or executive orders. According to the delegate, this measure would ensure that Territories, if excluded, were excluded for practical reasons and not merely as an oversight.¹³

III. Budget

20. The Governor of Guam signed an unbalanced budget for fiscal year 2001 in order to keep the Government in operation. Senators passed a \$439.4 million expenditure budget, which is \$10.6 million less than budgeted revenue. In his "State of Our Island" speech,¹⁴ the Governor noted that there was a budget deficit of \$71 million after the first three quarters of 2000, and that it was expected to grow when the fourth quarter figures came in.

21. The Governor proposed the establishment of a pension bond/deficit elimination programme to address \$750 million in unfunded liabilities of the Retirement Fund. According to this proposal, the Government of Guam would borrow \$400 million in bond money to pay part of the Retirement Fund debt. In return, this would free up \$30 million in the general fund that is currently being spent on supplemental benefits for retirees.¹⁵

22. According to the Governor, federal inputs to the Guam economy, excluding expenditures related to the military, included \$13 million increase in federal grants, \$5 million in compact impact aid (to reimburse Guam for the impact of unregulated immigration from the freely associated States as allowed by their 1985 compacts with the United States), and \$2.9 million in reimbursable allowances from the Federal Emergency Management Agency for damage suffered as a result of Typhoon Paka.¹⁴

IV. Economy

A. General

23. The Guam economy is dominated by tourism, while the public sector (including the United States military) and construction remain important. Farming and fishing are relatively well developed. Vegetables, citrus and tropical fruits, coconuts and sugar cane are

grown and livestock, especially poultry, is raised. Manufacturers include textiles, cement and plastics.²

24. After several years of declining economic figures, Guam's economy is expected to stabilize in 2001, and perhaps exhibit moderate growth. Despite dramatic expansion in the tourism sector in 2000, other contractionary forces resulted in a 1.7 per cent net reduction in total economic activity for that year. Similar numbers are expected for 2001 and 2002, although continuing strength in the tourism sector could bring a mild economic expansion.

25. Despite the downturn of the past several years, Guam's per capita gross domestic product remains, at \$18,766, the highest among the six United States Territories and associated States in the Pacific, according to a Bank of Hawaii report.¹⁶

26. In the public sector, one-time structural changes that were implemented in 2000 will continue to affect economic indicators in 2001. These include, in particular, the downsizing of both the Government of Guam, through employee buyout and early retirement schemes, and the federal Government, through outsourcing of functions to the private sector. These measures have substantially reduced the size of the government sector's contribution to total economic output and are expected to add to a drag on the economy. The Government of Guam was reported to be saving about \$700,000 per pay period as a result of its "early-out" initiatives, of which about 400 local government employees took advantage.¹⁷

27. The economy is still affected by the 1995 decision, in accordance with recommendations from the Base Realignment and Closure Committee, to shut down some military facilities on the island. According to one report, this caused a cumulative current dollar loss of \$942 million between 1996 and 1999, and a loss of about 4,800 jobs (3,500 federal civil and 1,300 military).¹⁸

28. In the private sector, economic indicators will be affected by two competing trends. First, an increase in revenues from tourism is expected as the sector expands in both domestic capacity (an increase in the number of hotel rooms and flights) and foreign markets (an increase in the number of tourists coming from countries other than Japan). Second, and opposing this trend, the construction sector is expected to continue to decline.

29. The economy of Guam is also influenced by global economic trends, and in particular by the economies of the United States and Japan. Given the importance of tourism to the Territory's economy, and the importance within the tourism sector of the Japanese market, the Guam economy tends to follow Japan's business cycle rather than that of the United States; Japan provided 53.9 per cent of the imports in 1999. Forecasters project economic slowdowns in both the United States and Japan for 2001. In general, however, despite a marginally slower growth rate expected in Japan for 2001, more substantial growth rates in countries elsewhere in Asia, which have become increasing sources of tourism for Guam, are expected to begin to offset the expected minor decline in Japan's economy and have a slightly positive influence on Guam's economy. The economy of Guam is not expected to grow much in 2001, if at all, but noticeable growth is expected beginning in 2002.

30. Guam is a duty-free port that facilitates the movement of raw materials for manufacturing. It also participates in two major trade programmes designed to promote export-oriented manufacturing: the Harmonized Tariff Schedule of the United States and the Generalized System of Preferences. Nonetheless, the Territory consistently records a trade deficit. The Department of Commerce reported the value of Guam's total exports to be \$86.4 million in 1998. Major export commodities are fish and crustaceans (\$44.9 million), mineral fuels, oils and waxes (\$15.2 million), tobacco and manufactured tobacco substitutes (\$5.6 million) and automobiles (\$3.1 million). Imports were valued at \$52.1 million for January 1998, \$42.8 million for April 1998, \$58.3 million for July 1998 and \$47.9 million for October 1998.¹⁹

B. Primary economic sectors

1. Agriculture and fisheries

31. The agriculture and fisheries sector has played a small role in the economy of Guam, accounting for less than 1 per cent of total private sector employment. The fishing industry, which began a major expansion in the late 1980s, continued to be important within the sector. During the period under review, negotiations began with a Norwegian company that raises salmon and trout for the Japanese market. The \$30 million investment under consideration is expected to create 120 jobs and

spawn support industries without damaging the environment.¹⁴

32. According to the Department of Commerce,²⁰ in 1998, the latest available figures, the dollar value of agricultural products was \$2,263,566. Included in this group were fruits and vegetables, poultry, pork, beef and eggs, all produced mainly for local consumption.

2. Manufacturing/industry

33. One of the major industries on Guam, and the third most important economic sector (after tourism and the public sector), is construction. The current status of construction permits indicates that in 2001 total construction activities will decline by about 25 per cent from 2000. Nonetheless, construction as a generator of employment remains significantly above the average for the United States. It currently accounts for 9.8 per cent of private-sector employment and 7.2 per cent of total employment, compared with 5.9 per cent and 5 per cent, respectively, in the United States. This suggests that the construction sector's decline is an adjustment towards more normal levels from its unsustainably high peak in 1992. The outlook in the construction sector may be improved in the near future if work begins on projects that are planned by the Government of Guam but have not yet received permits.

3. Tourism

34. After three years of a depressed tourism sector, resulting in large part from the 1997 economic crisis in Asia, substantial increases in visitor arrivals to Guam are forecast for the near future. The Guam Visitor's Bureau estimates a 15 per cent increase in 2001, building on an actual increase of 11 per cent in 2000. Much of this projected increase is due to recovery from depressed tourism following the 1997 crisis, though some of it may reflect an increased number of tourists coming from non-Japanese markets, particularly the Republic of Korea, China, Hong Kong and Taiwan, province of China. If the growth of these markets continues apace with current trends, they will strongly impact the total growth rate of the tourism sector. The goal of the Guam Visitors Bureau is to host 2 million tourists a year by 2005.²¹ In 1998, Guam received 1,137,026 visitors.²²

35. Another positive sign in the tourism sector is that current demand for visits is higher than current

supply.²³ This is attributable in part to airline capacity bottlenecks, which are being addressed. Recent measures undertaken to increase tourist arrivals include new scheduled flights to Guam four times a week by China Airlines, additional flights scheduled by JALways (a subsidiary of Japan Air Lines) and the resumption in July 2000 of Continental Airlines' direct Seoul-Guam flights, which were suspended in December 1997. Planned airport improvements in Japan and the opening there of more airports to Guam-bound flights are also expected to unclog the air traffic bottleneck.

36. At the same time, the number of available hotel rooms has increased by 24 per cent since 1997, growing from 8,119 to 10,084 in 1999. As well as increasing overall capacity, this expansion has led to competitive practices, which have in turn led to improved management. In some cases, the management changes have resulted in a stronger international presence, bringing worldwide marketing networks and additional market exposure to Guam. Marriott International Inc., Holiday Inn and Aston International have assumed the management of several hotels in Guam, facilitating greater international exposure.

C. Finance

1. Local financial services

37. The steady growth in bank deposits on Guam that was identified in the previous working paper (see A/AC.109/2000/6, para. 52) was not sustained in 2000. According to the Department of Commerce, bank deposits in March 2000 were at \$1.43 billion, slightly down from the 1997 figure of \$1.46 billion reported in the previous working paper. In addition, it should be noted that the March 2000 figure represents an even more significant decline from a high in March 1998 of \$1.67 billion. Of the total bank deposits, 68 per cent represent time and savings deposits, with the remainder representing demand or government deposits.

38. Bank loans, on the other hand, continued to increase from the 1997 figure of \$2.58 billion reported in the previous working paper to \$2.93 billion in March 2000. Of these, 53.7 per cent represent commercial loans, 34.5 per cent real estate loans, 11.6 per cent consumer loans and the remainder government and other loans. Bank loans account for about 97 per cent

of total loans on Guam. A small credit union and savings and loans sector makes up the remainder.

2. International finance

39. As indicated in the previous working paper (see A/AC.109/2000/6, paras. 52 and 53), the Government of Guam is making an effort to establish Guam as a financial service centre in the Pacific. The Government continued to adopt policies and laws towards this end. In particular, in July 2000 the Governor signed the Guam-Based Trust Companies Act (public law 25-149), which clarified the definition of Guam-based trusts in order to provide confidence for potential investors as well as federal regulatory bodies. The law made clear that as Guam's banking system was regulated by both federal and local law, business entities in Guam would have to file tax returns, unlike in other domiciles that have been labelled as tax havens.²⁴

40. As a result of the Guam-based trust initiative, 42 special qualifying certificates have been issued and 14 are still pending, representing a total of \$198.8 million, which is expected to add \$2.3 million annually to Guam's revenue. The trusts generate revenue for the Government of Guam despite the fact that 100 per cent of taxes on income are rebated to the trust. According to the new law, the Government holds tax revenues for 180 days. The interest accrued during this time is retained by Guam, and the initial tax levied is subsequently rebated in its entirety to the trust. The law also requires the trust's administration to be in Guam.²⁵

41. At the same time, an effort was made, unsuccessfully, to redress a lack of parity in the treatment of federal taxes on foreign direct investment in Guam. According to the Guam Organic Law, United States tax law applies to Guam. As a result, foreign direct income in Guam is taxed at 30 per cent. This federal rate is often reduced in the 50 states, however, under one of over 50 tax treaties to which the United States is a party, but to which Guam, as an unincorporated Territory, is not. A section of the Guam Omnibus Opportunities Act, submitted in 2000, sought to reduce this rate to 10 per cent by amending the Organic Act to treat Guam as part of the United States insofar as the application of tax treaty provisions was concerned. The administration considered that the measure required further discussion, in particular regarding its interaction with the Guam-Based Trust Companies Act described above.²⁶ The provision was

not included in the final version of the Guam Omnibus Opportunities Act and so did not become law.

D. Transport and communications

1. Roadways

42. According to the Governor in his annual address,¹⁴ the system of public roadways has undergone considerable improvement, relieving traffic congestion and providing benefits to small businesses and residents. In February 2001, the Governor initiated an island-wide transportation master plan that will involve several relevant government agencies. One of the tasks of the plan's implementers will be to determine whether to leverage annual federal highway funds and other grants to finance a massive overhaul of all main roads and transportation systems. This project, expected to cost \$150 million, would also improve road safety and lower long-term maintenance costs.

2. Seaports

43. The Port Authority of Guam administers the commercial port facilities at Apra Harbour. The Port Authority is a public corporation and an autonomous agency of the Government of Guam. Guam's port is a major trans-shipment centre of the western Pacific and is equipped to move containerized bulk and tuna cargo efficiently. The port has, in recent years, seen an average annual increase of 23 per cent in cargo. The Port Authority is expanding its container yard and is planning to spend \$100 million in reconstruction activities up to the year 2005.

44. Overall tonnage at the Port Authority remained constant at around 1.97 million tons. The Port Authority has improved efficiency of container movements from 17 to 34 per hour.¹⁴

3. Airports

45. Guam's International Air Terminal services more than eight international carriers. More than 270 flights per week connect Guam to all major cities in the Pacific and Asia. In addition, the airport services nine air cargo carriers, which moved more than 35,000 metric tons of cargo in 1997. The Terminal was built in 1982. According to Department of Commerce figures, airport traffic in 1998 was 1.3 million passengers. This was down from over 1.6 million in 1997, in part owing to the slump in the tourist market. Just prior to that

slump, the Airport Authority invested more than \$240 million in an ambitious expansion and renovation programme designed to triple the airport's total area.²⁷ In early 2001, the Governor announced that Guam was poised to begin over \$45 million of improvements to the airport, including installation of a secondary instrument landing system and a commuter arrival security screening system.¹⁴

4. Communications

46. RCA Global Communications and IT&E handle cablegrams, facsimile and telex messages and overseas telephone calls. The United States Postal Service handles mail delivery. Commercial mail delivery is also available through Federal Express and DHL. Guam has a daily newspaper, a newspaper published three times a week, several weekly and monthly commercial publications and military journals. There are three AM and two FM radio stations, one commercial television station, one cable television station and one public broadcasting station. A new fibre optic cable now links Guam with Hawaii, Japan, the Philippines and Hong Kong.²⁸

47. High-technology communications may represent an emerging growth sector for Guam. The Governor and Legislature have made it a priority as part of a general effort to diversify the economy. The Governor, in his annual "State of Our Island" address,¹⁴ noted passage of e-commerce legislation in January 2001 that would help develop Guam as an international communications hub. He also noted in this regard the investments of several companies. These include TyCom, which will spend \$23 million to build a regional centre (one of three in the world) for its undersea fibre optics network; Global Link, which will hire up to 1,200 employees to handle international customer service operations for several worldwide corporations; and Japan's National Space Development Agency, which will construct a \$10 million satellite tracking station.

48. The Governor also proposed that the Guam Telephone Authority be privatized in order to make it more competitive given the demands of rapidly changing technology. He appealed to the Legislature to move this initiative forward.

49. According to the Department of Commerce, there were 84,134 primary telephone lines registered in 1998. Of these, 43,444 were residential lines and

40,690 were business lines. Telephone Authority revenue in 1998 amounted to \$37.8 million. Although revenues steadily increased between 1996 and 1998, it has remained below the peak of \$41.2 million recorded in 1995.

E. Water system, sanitation and utilities

1. Water and sanitation

50. Approximately 74 per cent of the water supply is provided by the Guam Waterworks Authority. The remainder is produced by the Air Force and Navy installations on Guam. The Government's water sources are groundwater and surface water (Ugum River). The Navy water source is a surface reservoir (Fena Lake) in the southern part of the island. The Authority's water originates primarily in an aquifer known as the northern lens, which is tapped by 94 active wells. According to the Authority's well monitoring report, about 26 million gallons per day are currently pumped from the northern lens. The \$12 million Ugum River project, at the southern end of the island, which was completed a few years ago, added an additional 1 million to 2 million gallons per day of potable water to Guam's daily supply. According to the Governor, the state of the water and sewerage system, however, is "not good and it is getting worse". Leaks are frequent, posing important health and environmental problems and inhibiting development.

51. Guam's water consumption in 1998 was 8.8 billion gallons, of which 4.9 billion were for residential use and 3.5 billion for commercial and government use (the negligible remainder was for agriculture and irrigation).

2. Electricity

52. The Guam Power Authority, an autonomous agency of the Government of Guam, is responsible for providing electricity throughout the island. In 1998, according to Department of Commerce figures, power consumption in Guam was 1,601.6 million kilowatt hours. According to the Governor, the Authority continues to generate 171 megawatts of reliable power. While commercial collection ratios are up, the Government of Guam still owes the Authority \$42 million in arrears.

V. Military issues

53. Guam was administered by the United States Navy until 1950, and remains the site of extensive United States naval, army and air force installations. Petroleum storage, munitions stowage, extensive communications facilities and other service industries that cater to the military establishment form the basis of the military infrastructure in Guam.

54. A United States Navy team visited Guam in January 2001 to assess the feasibility of moving Los Angeles class, fast-attack submarines to Guam. The relocation of three of those submarines would add 750 Navy personnel to the base at Guam.²⁹

55. In addition, the United States Air Force announced the redeployment of conventional air-launched cruise missiles to Guam, completing a two-year effort to turn Guam's Andersen Air Force Base into a forward-operating location for long-range United States bombers.³⁰ This move was criticized by a human rights group, Pacific Concerns Resource Center, which said it was the first time such missiles had been stationed outside the United States, and that the deployment had occurred without the consent of the Pacific islanders. It was argued that the missiles posed a threat to the entire Pacific region.³¹

56. On 12 May 2000, the United States Navy announced that it would cancel the planned transfer of its ship repair facility on Guam and retake control over it when its seven-year lease ended in 2007. This facility was closed as an active military installation on 1 October 1997, in accordance with the recommendations of the United States Base Realignment and Closure Commission. The Department of the Navy subsequently entered into a lease agreement with the Guam Economic Development Authority for use of the ship repair facility. The Authority subleased the facility to a private company, which employed about 200 employees. One aspect of the agreement was that the Navy would continue to provide enough business to the facility to keep it economically viable. According to the Governor of Guam, this would require 50,000 man-days of work. The Navy only committed 24,000 man-days, however.³² Congressman Underwood, who in 1995 had opposed the closure of the facility, accused the Navy of always considering Guam last in its decision-making process. He said that it was very difficult to do serious economic planning when the

Navy kept changing its policy.³³ The Lieutenant Governor of Guam, Madeleine Bordallo, noted that the decision would have both negative and positive effects. On the one hand, the Navy retaking control of the facility would mean that less federal land would be available to return to Guam than was hoped. It also would scuttle existing plans to set up areas within the property for economic and tourism development. On the other hand, the decision signalled a commitment by the Navy to increase its activities on Guam, which would be good for its economy. The Lieutenant Governor said she had been told by Rear Admiral Tom S. Fellin, Commander of the United States Naval Forces, Marianas, that global hotspots in Asia required a strong United States Navy presence in the area, and that Guam stood to benefit.³⁴

VI. Land issues

57. As reported in the previous working paper, the question of land-use and ownership is a major and ongoing consideration on Guam. This question comprises two major issues: (a) the return of unused or underutilized lands held by the Department of Defense; and (b) the return of these lands to the original Chamorro landowners. The United States Government, principally its Department of Defense, currently holds title under United States law to over one third of the island. This land was condemned and acquired from private landowners by the Department of Defense during the years following the Second World War, when Guam was under the administration of the United States military, and before citizenship was granted to the people of Guam. In 1994, Congress passed the Guam Excess Lands Act (public law 103-339) to return 3,200 acres to the people of Guam, which has begun to be implemented (additional details about prior land transfers and legislation can be found in previous working papers A/AC.109/1069, 1148, 1149, 1192, 2047 and 2047/Add.1).

58. In his "State of our Island" address in February 2001,³⁵ the Governor announced that 7,894 acres of excess land were being returned in title to the people of Guam and that the United States Air Force had announced that it would return a further 1,750 acres. The Governor also noted the return by title of 1,806 acres at Tiyan in November 2000, which he said was the largest single transfer of federal property to the Government of Guam since the Organic Act in 1950.

59. Another important development in the period of review concerns the return process for excess military land. In the previous working paper (A/AC.109/2000/6, para. 81) it was noted that the procedure for returning excess military land allowed federal agencies to bid for land ahead of Guam. Congressman Underwood submitted legislation to correct this: the Guam Omnibus Opportunities Act, which was signed into law in November 2000.³⁵ According to Congressman Underwood, the Act puts Guam before other federal agencies with regard to bidding for excess lands. It also provides Guam with more flexibility by requiring the Government of Guam and the federal Fish and Wildlife Service to negotiate on the future management and ownership of lands in the wildlife refuge. This requirement gives Guam a greater but not complete measure of control over these lands.³⁶ As reported in the previous working paper, the establishment of a wildlife refuge on 370 acres at Ritidian Point by the Department of the Interior had led to protests by Chamorro families. Discussions between officials of the Government of Guam and the United States Department of the Interior in 2000 to reach a compromise between original landowners and the Fish and Wildlife Service ended with no change to the latter's presence at Ritidian.

VII. Social conditions

A. General

60. The people of Guam are eligible to receive benefits under a variety of federal programmes, including Social Security, Medicare, aid to families with dependent children, aid to the blind, general assistance, old age assistance, aid to the permanently and totally disabled, food stamps and Medicaid (see paras. 73 and 74 below for Medicaid). Territories, like states, may choose not to participate in grant programmes. Participation in these programmes requires accepting federal rules and guidelines and sometimes matching federal expenditures with local expenditures.

61. Almost all indicators of social assistance have been rising over the past decade, according to the Guam Department of Commerce. Participation in the food stamp programme rose from a monthly average of 3,233 households (11,808 individuals) in 1989 to 5,874 households (19,613 individuals) in 1999. The

corresponding expenditures were \$13.6 million and \$30.8 million.

62. Recipients of aid to families with dependent children doubled in the same period, from 4,130 recipients in 1989 to 8,399 in 1999. Recipients of general assistance rose from 308 to 1,963. Recipients of public assistance rose from 5,273 to 10,968. This corresponded to a rise in total public assistance expenditures from \$7.3 million to \$27.3 million. For most federal assistance programmes, the Government of Guam is required to match federal expenditures with its own funds.

B. Labour

1. General

63. The most recent figures available (September 2000) show that the total civilian labour force in Guam, in both the public and private sectors, is 70,800, of which 59,850 are employed. Unemployment was calculated at 15.3 per cent in July 2000. This is about equal to unemployment in the same month of the previous year, although significantly higher than unemployment rates between 1996 and 1998, which averaged 9 per cent.

64. Over a quarter (27 per cent) of the workforce is in the service sector, of which over a third works in hotels and other lodging places. The retail trade sector employs 20 per cent of the workforce and transportation and public utilities account for another 9 per cent. The construction sector is responsible for 7 per cent of employment and the financial sector for 4 per cent. The rest of private sector employment is made up of wholesale trade (3 per cent), manufacturing (2.7 per cent) and agriculture (less than 1 per cent).

65. Many workers belong to trade unions based in the United States, such as the American Federation of Government Employees and the American Postal Workers Union. In 1991, 4,000 of 65,830 workers belonged to unions.³⁷ More recent figures on union membership have not been found.

2. Public service

66. Both the Government of Guam and the federal Government in Guam undertook substantial downsizing measures in 2000. The Government of Guam undertook a buyout and early retirement

programme, while the federal Government began outsourcing functions to private contractors. As a result, employment by the Government of Guam declined by 8.8 per cent, from 13,740 to 12,530 jobs in fiscal year 2000. Federal jobs declined by 29.9 per cent, from 4,610 to 3,230 jobs in the same time period. The total government sector now accounts for just over 25 per cent of total civilian employment (with the Government of Guam accounting for about 21 per cent and the federal Government about 4 per cent) and this percentage is expected to continue to decline in the coming years.

67. A controversy arose in 2000 regarding the outsourcing of United States Navy jobs to a private company. In February 2000 the defence company Raytheon was awarded a \$328.4 million contract to provide base operations support for United States Naval facilities on Guam (including administration, maintenance, supply, harbour operations, ordnance loading, etc.). Federal contract workers who had been carrying out those functions were given the "right of first refusal" to the jobs under the Raytheon contract. According to Congressman Underwood, the wage rates offered by Raytheon were significantly lower than they had been under the Department of Defense. In April 2000, he and 28 other members of the House of Representatives called for the suspension of the implementation of Raytheon's contract until the wage question was re-examined.³⁸ As a result, the United States Department of Labor conducted a new survey, which concluded that Raytheon had based its wages on outdated wage scales. Consequently, the Department released updated scales that resulted in higher wages for nearly every outsourced job category.³⁹

C. Education

68. Guam has an extensive public and private education system. The public education system includes the University of Guam; the Guam Community College; five public high schools; six middle schools; and 24 elementary schools. The private system includes two business colleges, five high schools and several elementary schools. Most of these are affiliated with Roman Catholic and Protestant religious denominations. The University of Guam has master degree programmes in education and public administration; operates a marine research laboratory, and has an extensive collection of Pacific and

Micronesian historical documents and material at the Micronesian Area Research Center. The University of Guam is accredited by the Western Association of Schools and Colleges.

69. According to the latest available statistics from the Department of Education, total school enrolment (public and private, but not including Guam Community College) in 1998/99 was 39,405, of which 5,034 were enrolled in private schools. In the same period, there were 2,073 public school teachers. In 1999, 1,741 high school students graduated, prolonging a trend of steadily increasing graduates since 1994/95. In the same period, there were 2,385 full-time students enrolled in the University of Guam, out of a total enrolment of 3,784. The University also enrolled 265 students from former United States Trust Territories (the majority coming from Palau and Truk). Guam's operational budget for education in 1998/99 was \$165 million (approximately \$5,000 per student).

D. Public health

70. According to the World Health Organization,⁴⁰ the people of Guam enjoy a healthy status. Infant and maternal mortality rates are low. Virtually all births take place in a medical setting and most pregnant women receive prenatal care from a trained health care worker during pregnancy. Illnesses that contribute to population morbidity and mortality are generally related to lifestyle. Diabetes mellitus was the second leading cause of death in 1993.

71. The United States Centers for Disease Control reported in March 2000 that there were 42 people living with human immunodeficiency virus (HIV) and 25 with acquired immunodeficiency syndrome (AIDS). The rate of AIDS cases increased between 1998/99 and 1999/00 from 4.7 per 100,000 to 11.8 per 100,000.⁴¹

72. Guam has a 147-bed hospital, the Guam Memorial Hospital, and a United States Naval Hospital that serves military personnel and their dependants. In the mid-1990s, there were around 140 physicians and 30 dentists on Guam.

73. Federal programmes approved by the United States Department of Health and Human Services apply on Guam. The non-voting representatives of all United States Territories (American Samoa, Guam, Puerto Rico and United States Virgin Islands) co-sponsored legislation in September 2000 to revise federal-local

ratios for Medicaid payments in the Territories. Currently, the territorial Governments must pay 50 per cent of Medicaid costs, while the federal Government pays the other 50 per cent. The poorest states in the United States, however, enjoy a federal-local payment ratio of 75:25. The territorial representatives are requesting a 75:25 ratio on the grounds that all four Territories have lower per capita incomes than the poorest state. The bill would also remove caps on Medicaid spending. The cap of \$5 million on federal Medicaid spending on Guam makes it increasingly difficult for the Government of Guam to match the required funds.

74. Medicaid spending in 1998 was \$9.9 million, a slight decline from the 1996 peak of \$11.5 million. Medicaid spending has tripled over the last decade, however, from \$3.1 million in 1989.

E. Housing

75. Among lands turned over to the Government of Guam by the United States military are those known as "crown lands", comprising six dormitories and 360 housing units. According to the Governor, these are to be turned into low- and moderate-income housing developments.⁴²

F. Immigration

76. A major issue in the federal Government's relations with Guam is the migration from the freely associated states of the Marshall Islands, the Federated States of Micronesia and Palau. The Compact of Free Association Act of 1985, which established the relationship between the United States and the Federated States of Micronesia, and the Marshall Islands, authorized unrestricted migration from those Pacific island nations to the Territories and possessions. This enabled citizens of those islands to enter Guam and to lawfully engage in occupations as non-immigrant aliens.⁴³ These immigrants and their American-born children have settled in Guam, Hawaii and the Northern Mariana Islands. This has strained the resources of the recipient states and Territories.⁴⁴ In order to address the situation, the Office of Insular Affairs has made technical assistance grants to Guam and other compact Territories, with additional funding appropriated for the two island jurisdictions (Guam and

the Northern Mariana Islands) by the United States Congress.⁷

77. In 2000, Guam received \$9.58 million from the federal Government to compensate Guam for costs incurred as a result of unregulated immigration from Micronesia. The Governor said that the money would only be used for capital improvements in the Territory, including \$1.7 million that had already been set aside for Guam Memorial Hospital.⁴³

78. Guam also has in place a special visa waiver programme to encourage tourism. According to this programme, citizens of certain foreign countries need not apply for a visa before visiting Guam, although the visa applies only to Guam, and not to the rest of the United States. The arrival of about 700 people from Myanmar in December 2000 caused the programme to be suspended for Myanmar citizens by the Immigration and Naturalization Service at the request of the Governor of Guam. People from Myanmar were arriving in Guam and immediately seeking political asylum in the United States, contrary to the purpose of the waiver programme.⁴⁴

G. Human rights and related issues

79. The question of human rights on Guam is mostly centred on the rights of indigenous peoples. The 1990 census revealed that more than half of the population of Guam were immigrants. One effect of significant recent immigration to the Territory has been to raise the awareness of the Chamorros as a people with specific rights to protect within the framework of Guam's status as a Non-Self-Governing Territory and as an indigenous people. This has in turn led to disagreement with the United States over its position on the draft United Nations declaration on the rights of indigenous peoples. In 1996, the twenty-third Legislature of Guam adopted resolution No. 469 (LS) stating that the people of Guam did not support or endorse the United States' position on the draft declaration and called upon the United States to conduct a legitimate consultation with the indigenous Pacific peoples. According to statements made by the Governor of Guam and the Congressman, the differences revolve around the failure of the United States to recognize collective rights as distinct from individual rights (the latter being already guaranteed by the Universal Declaration on Human Rights), and in

particular the collective right as an indigenous people to self-determination.⁴⁵

80. The question of a recognized separate identity for the Chamorros impinges on the question of self-determination that was included in the Commonwealth Act and in the Guam laws that provide for a process of determining the preference for a decolonized status (see paras. 12-16 above). Both the Commonwealth Act and the above-mentioned laws establish requirements (see para. 17 above) for the eligibility to vote that correspond to United States' assumption of sovereignty in Guam. The United States opposes any restriction on eligibility to participate in Guam's self-determination process, arguing that the right of self-determination must be exercised by all the people of Guam, and that any limitation would violate the right for equal treatment under the law that is guaranteed by the United States Constitution. Under United States law, this equal protection requirement extends to any United States citizen who is resident in Guam for 30 days.

H. Crime

81. According to Department of Commerce figures, the rate of grave crimes such as murder, manslaughter and rape have remained more or less constant over the past 10 years. That same time period, however, has seen a rise in robbery, burglary, larceny and motor vehicle theft. An issue of some importance to Guam's economic base is the question of crimes against tourists. The percentage of crimes against tourists per tourist population has decreased over the past decade, from .04 per cent in 1989 to about .02 per cent from 1991 to 1998. In 1998, there were 264 incidents of crime against tourists. The police department attributes the overall drop in crime to the increase in officers on the streets, more neighbourhood patrols and activation of a new highway patrol section.

82. The prevalence of drugs in Guam is perhaps the single most significant factor affecting crime rates. The largest crime rate increase in recent years came in 1997. To combat the drug problem, the police department continues to run preventive and outreach programmes.

VIII. Environment

83. Guam continues to experience some threats to its environment related to the United States occupation during the Second World War. In April 2000, drums containing possibly hazardous materials (not necessarily from the war era) were found on Guam's sole source aquifer, less than half a mile from water-producing wells. The Guam Environmental Protection Agency was investigating this pollution.⁴⁶ In May 2000, hundreds of residents of the Mongmong area were evacuated from their homes during a cleanup of military canisters that contained small levels of chemical agents, including mustard gas. A subsequent study carried out by the Agency for Toxic Substances and Disease Registry, a division of the United States Department of Health and Human Services, concluded that there was no immediate health concern, but recommended that a thorough archival search be carried out among the relevant agencies to determine the final disposition of chemical weaponry brought into Guam during and after the Second World War.⁴⁷ In August 2000, researchers from the Micronesian Area Research Center discovered records that numerous mustard gas bombs had been brought into Guam in 1945 but had never been used. Researchers suspect that they may have been dumped in a swamp near the capital, Hagåtña. There is no proof that the bombs are there, but the swamp was used as a dumping ground after the war. The researchers say that if the gas is released it could kill half of the people within a radius of 2 miles.⁴⁸ In January 2001, empty metal drums that once contained oil fog and aviation fuel were discovered, requiring a clean-up, but without the need for evacuation.⁴⁹

84. In December 2000, the United States Environmental Protection Agency began funding a Guam Environmental Protection Agency project to proactively look for possible environmental hazards, in particular at formerly used defence sites of the United States Army Corps of Engineers. The federal agency was to provide \$100,000 in 2000, and another \$100,000 in 2001. The programme will allow the Guam Environmental Protection Agency to take the lead in locating environmental problems, rather than relying on the Corps' formerly used defence sites programme, as in the past. A Guam Environmental Protection Agency official noted that the Corps of Engineers did not focus sufficiently on the potential impact of biologically or environmentally unsafe materials, and

would not look at waste that they could prove was not military waste.⁵⁰

85. Over the past several years, the pollution of beaches, coastal waters and coral reefs has raised concerns over the impact on health and tourism. Pollution is suffocating the coral reefs and inhibiting marine life. Sources of contamination include sewage from septic tanks and leaking sewer lines and chemical contaminants from fertilizers and sewage. Pollution of the freshwater lens also puts the drinking water supply at risk. According to press reports, Guam Environmental Protection Agency officials say that the pollution problems are not widespread, but the pace of development may cause a bigger problem in the future. Various recommendations have been made to the Government of Guam for dealing with the deteriorating environment. The National Oceanic and Atmospheric Administration, part of the United States Department of Commerce, has committed \$200,000 to be administered through the University of Guam Marine Laboratory, for a region-wide effort to address marine and coastal issues in Oceania.⁵¹

86. An important environmental challenge is posed by Guam's status outside the United States customs zone. Currently, the United States prohibits the importation of materials contaminated with polychlorinated biphenyl (PCB) from outside the customs zone. This effectively prevents the Department of Defense from moving its contaminated materials back to the United States for proper disposal. In November 2000, the federal Environmental Protection Agency proposed a regulation that would explicitly allow for PCB-contaminated materials from the Territories to be brought to the United States for disposal. The proposal was opposed by a major environmental group, and its status at the time of writing is unknown.⁵²

IX. Relations with international organizations/arrangements

A. United Nations system

87. Guam is an associate member of the Economic and Social Commission for Asia and the Pacific. WHO carries out training projects in Guam. In addition, Guam has been involved in the Multilateral High-level Conferences on the Conservation and Management of

Highly Migratory Fish Stocks in the Western and Central Pacific, which originated under the United Nations Convention on the Law of the Sea and related conventions.

B. Regional organizations/arrangements

88. Guam was a member of the Pacific Basin Development Council, based in Honolulu and dedicated to promoting economic development of American Samoa, Guam, Hawaii, and the Northern Mariana Islands. The Council's board members were the Governors of Guam, the Northern Mariana Islands and American Samoa. On 30 September 2000 the Council was dissolved in order for a charter and new by-laws to be drafted. The Council ran into financial problems when Hawaii withdrew in 1999.⁵³

89. Guam is a member of the Secretariat of the Pacific Community, a 27-member organization dedicated to providing technical advice, assistance, training and research to promote the development of its members.

X. Future status of the Territory

A. Position of the territorial Government

90. In his statement to the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, at its 5th meeting, on 27 September 2000, Ronald Rivera, representative of the Governor of Guam, addressed the issue of the decolonization of Guam. He said that Guam was one of the Territories in which the decolonization process posed the greatest difficulties. Guam was a colony and all the actions of its Government were subject to the laws of the administering Power. It essentially belonged to the United States, as that country had the right to dispose of Guam's land, reshape its demography and appropriate its earnings by exploiting the citizens of the Territory. Guam's patrimony, traditions and culture were being degraded through forced assimilation. At the same time, the health and education systems had been poorly developed. Activists who had demonstrated non-violently for the return of land to the original inhabitants had been given prison sentences by the courts of the administering

Power. The situation was therefore one of colonial subjugation and domination at the expense of the interests of the people of Guam, and thus constituted a violation of fundamental human rights and of the Charter of the United Nations.

91. In addition, Mr. Rivera said that the people of Guam had a strong resolve to move forward with the process of decolonization, but needed the engagement of the administering Power for the process to be successfully concluded. He suggested that the United Nations might consider seeking guidance from the International Court of Justice to clarify the rights and responsibilities of all the parties in accordance with the Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States, and in particular, the duty of Member States to bring an end to colonialism, having due regard to the freely expressed will of the people concerned.

B. Position of the administering Power

92. On 25 September 2000, at the 3rd meeting of the Fourth Committee of the General Assembly, the representative of the United States, speaking in reference to all United States Territories, said that although his country continued to believe that the standards applied in General Assembly resolutions 1514 (XV) and 1541 (XV) were too narrow, it offered its full support to countries that chose independence. For Territories that did not choose independence, the United States fully supported the right of the peoples of the Non-Self-Governing Territories to a full measure of self-government if that was what they chose. His country did not believe that a single standard of decolonization applied to every Territory. He also said that for his country, the term "non-self-governing" was of questionable applicability to those who were able to establish their own constitution, elected their own public officers, had representation in Washington, D.C., and chose their own economic path (A/C.4/55/SR.3, paras. 52-54).

93. The representative also said that in his Government's opinion the mere presence of military interests in Non-Self-Governing Territories was not detrimental to the interests of such Territories or their peoples. On the contrary, such relationships formed the basis of partnership between individual regions and the outside world. Investment and economic activity did not necessarily constitute an obstacle to independence.

His country's hope for the coming year was that the Special Committee would focus its efforts on the Territories included in the list of Non-Self-Governing Territories and not be sidetracked by other issues.

94. More detailed information on the position of the administering Power with regard to Guam's commonwealth proposal may be found in the previous working paper (A/AC.109/2000/6, paras. 101 and 102). It should be noted that the position of the new Administration in Washington, D.C., was not available at the time of writing.

C. Action taken by the General Assembly

95. On 8 December 2000, the General Assembly adopted, without a vote, resolution 55/144 B, section VI of which deals with Guam.

Notes

¹ The information contained in the present working paper was derived from published sources, including Internet sites.

² *Encarta Online Deluxe* (www.encyarta.com.au), "Guam".

³ United States Census Bureau web site (www.census.gov).

⁴ *Pacific Islands Report*, 9 January 2001.

⁵ Bank of Hawaii, *Economic Report on Guam*, October 1999.

⁶ Congressman Underwood's web site (www.house.gov/underwood/welcome.html).

⁷ Department of the Interior, Office of Insular Affairs, *Fact Sheet*, 1998.

⁸ *Pacific Daily News*, 9 February 2001.

⁹ *Governing Guam Before and After the War*, Guam Political Status Education Coordination Committee, Agana, Guam, 1994, p. 137.

¹⁰ Governor Gutierrez, "Statement on Commonwealth before Congress", 29 October 1997 (www.gov.gu/webtax/commonwealth/index.html).

¹¹ *Pacific Islands Report*, 25 October 2000.

¹² News release, Congressman Underwood, 9 September 2000.

¹³ News release, Congressman Underwood, 26 June 2000.

¹⁴ "State of Our Island Address", Carl T. C. Gutierrez, Governor of Guam, 3 February 2001.

¹⁵ *Pacific Islands Report*, 3 February 2001.

¹⁶ *Ibid.*, 1 September 2000.

¹⁷ *Pacific Daily News*, 9 January 2001.

¹⁸ *Guam Annual Economic Review, 1998-1999*, Guam Department of Commerce, Tiyan; p. 41.

¹⁹ *Ibid.*, pp. 34 and 35.

²⁰ All Department of Commerce citations refer to statistics compiled on the Department's web site (www.admin.gov.gu/commerce).

²¹ *Pacific Islands Report*, 5 January 2001.

²² *Guam Annual Economic Review, 1998-1999*, Guam Department of Commerce, Tiyan; p. 56.

²³ Statistics cited in this section are from a paper, "Guam Economic Outlook 2001", by the Guam Department of Labor, issued in February 2001.

²⁴ *Pacific Daily News*, 6 July 2000.

²⁵ "Developing Guam", Guam Economic Development Authority, Third Quarter Report, 2000, vol. 1, issue 3.

²⁶ Statement of the Deputy Assistant Secretary for Policy and International Affairs, United States Department of the Interior, to the House Committee on Resources, 13 April 2000.

²⁷ www.airport.guam.net.

²⁸ United States Department of the Interior, Office of Insular Affairs (OIA) Fact Sheet, May 1998.

²⁹ *Pacific Islands Report*, 26 October 2000.

³⁰ *Ibid.*, 28 August 2000.

³¹ *Ibid.*, 30 August 2000.

³² *Ibid.*, 9 June 2000.

³³ News release, Congressman Underwood, 18 May 2000.

³⁴ *Pacific Islands Report*, 5 June 2000.

³⁵ News release, Congressman Underwood, 26 July 2000.

³⁶ *Pacific Daily News*, 15 November 2000.

³⁷ "United States External Territories: Guam", *The Europa World Year Book 2000*, 41st edition, vol. II.

³⁸ News release, Congressman Underwood, 4 April 2000.

³⁹ News release, Congressman Underwood, 23 August 2000.

⁴⁰ www.wpro.who.int, country profiles, Guam.

⁴¹ www.cdc.gov/hiv/stats/hasr1201/table1.htm and table2.htm.

⁴² United States Department of the Interior, Office of Insular Affairs, *Report on the State of the Islands, 1999*, chap. 4.

⁴³ *Pacific Islands Report*, 4 November 2000.

⁴⁴ Agence France Presse report, 21 December 2000.

⁴⁵ Statement by Governor Gutierrez during the United States consultation with Pacific indigenous peoples, 21 August 1996.

⁴⁶ *Pacific Islands Report*, 27 April 2000.

⁴⁷ News release, Congressman Underwood, 10 October 2000.

⁴⁸ *Pacific Islands Report*, 14 August 2000.

⁴⁹ *Pacific Daily News*, 3 February 2001.

⁵⁰ *Pacific Islands Report*, 27 December 2000.

⁵¹ *Ibid.*, 21 March 2000.

⁵² News release, Congressman Underwood, 8 December 2000.

⁵³ *Pacific Islands Report*, 25 April 2000.



General Assembly

Distr.: General
20 April 2001

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Tokelau

Working paper prepared by the Secretariat

Contents

	<i>Paragraphs</i>	<i>Page</i>
I. General	1-3	3
II. Constitutional and political developments	4-13	3
A. Constitutional developments	4-10	3
B. Public service	11-13	4
III. Economic conditions	14-18	5
A. Economic developments	14-16	5
B. Communications	17	6
C. Power supply	18	6
IV. Social conditions	19-22	6
A. Education	19	6
B. Health	20-21	7
C. Status of women	22	7
V. Consideration of the question by the United Nations	23-25	7
A. Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples	23	7
B. Special Political and Decolonization Committee (Fourth Committee)	24	8
C. Action by the General Assembly	25	8



VI. Future status of the Territory	26-34	8
A. Position of the administering Power	26-32	8
B. Position of the people of Tokelau	33-34	9

I. General

1. Tokelau,¹ a Non-Self-Governing Territory administered by New Zealand, consists of three small atolls in the South Pacific (Fakaofu, Nukunono and Atafu), with a total area of approximately 12.2 square kilometres. Fakaofu is the southernmost atoll; Nukunono is nearly 50 kilometres away and Atafu nearly 100 kilometres from Nukunono. Each atoll comprises strips of land no more than 200 metres wide and never more than 5 metres above sea level. Samoa, 480 kilometres to the south, is the nearest sizeable neighbour.

2. Tokelauans are Polynesians with linguistic, family and cultural links with Samoa. The last five-yearly census, conducted in 1996, recorded a population of 1,507 people. In 1998, the population was estimated to have decreased to 1,443.² The constraints of atoll life and limited opportunities have led some 6,000 Tokelauans to settle abroad, mainly in New Zealand and Samoa.

3. The two main New Zealand appointees who engage with Tokelau are the Administrator, appointed by the Minister of Foreign Affairs and Trade, and the Tokelau Public Service Commissioner, a delegate of the State Services Commissioner. Lindsay Watt, the Administrator, has been reappointed for a further two years, until February 2002. Aleki Silao, a New Zealand-based Tokelauan, is to remain in his post as Public Service Commissioner until 30 June 2001, when responsibility for public services will be transferred to the Territory (see paras. 12 and 13).

II. Constitutional and political developments

A. Constitutional developments

4. As reported in previous working papers on the question of Tokelau (for the most recent, see A/AC.109/2000/5), the process of constitutional development is continuing. In August 1998, the General Fono (the national representative body) endorsed a comprehensive report entitled "Modern House of Tokelau", which addressed the core issue for Tokelau in creating a constitutional framework: how to construct a self-governing nation based on the village.

5. In accordance with recommendations made in the report, a new electoral system was instituted for the General Fono. In the past, the 27-seat General Fono was made up of members chosen by each village's Taupulega (Council of Elders) to serve three-year terms; only the Faipule (the representative of each village) and the Pulemuku (the mayor of each village) were elected. In January 1999, elections for a reformed General Fono, made up of 6 members from each village (18 altogether), were held on the basis of universal suffrage. Each village first elected four officials: Faipule, Pulemuku, Deputy Faipule and Deputy Pulemuku. Next, it elected two delegates nominated by designated groups in the village: women and the aumaga (the workforce of able-bodied men). The new elected General Fono reflects a generational change in membership. Delegates are now younger and have received more formal education than before. In addition, whereas in the past membership in the General Fono was rotational in nature, several of the new delegates have served before. The next elections for Faipule and other General Fono delegates are scheduled to be held in January 2002.

6. According to the administering Power, during the period under review, Tokelau has taken forward its governance project with a special sense of determination and enabled the Modern House project to move gradually from the planning to the implementation stage. In March 2000, senior elected leaders stated that they were now ready to embark fully on the Modern House project and in June 2000 the General Fono officially established the project. Overseeing it is a Joint Committee or management structure comprising Tokelau's six senior elected leaders, the Public Service Commissioner and the Administrator. The Committee held four meetings between August 2000 and March 2001. In addition, a Transition Team has been set up which includes the heads of departments from Tokelau and a number of New Zealand-based specialists. The Transition Team provides project oversight, management, coordination, planning, communications, relations with sponsors (New Zealand Official Development Assistance and the United Nations Development Programme (UNDP)), monitoring, reporting and evaluation. In September 2000, a brief discussion document was presented to the three Village Councils and the people of Tokelau. The key point which was endorsed by the Tokelauans was the following: "The three villages are the traditional foundation of the nation. For the good government of

the people their Village Council (Taupulega) should be the basis of future government." There was no question that the three villages wished to be one nation and that certain functions, such as transport, would be best performed by a national administration; nonetheless, the basis for leadership and decision-making was the village council.

7. In November 2000, the Joint Committee agreed on a programme that involved:

(a) Good governance, namely governance framework, constitutional development, management and operational structures and employer responsibility;

(b) Capacity development, namely the review of national and village administrations, the development of a management support training workshop, the identification of national, village and individual training needs and the development of appropriate training programmes;

(c) "Friends of Tokelau", namely the establishment of an organization to link outside individuals and organizations into Tokelau's development;

(d) National and village sustainable development plans.

8. The General Fono met shortly after and endorsed a statement whereby the Joint Committee heeded the feelings of the Taupulega on the implementation of the Modern House project; heard their views concerning the readiness of the three villages to embark upon the project; acknowledged the wish of one village (Nukunonu) to start immediately and appreciated the willingness of the other two villages to recognize that their lesser preparedness should not stand in the way of such action; and, finally, asked the Transition Team to proceed, recognizing the needs of each village and the adjustments required to accomplish the Modern House. It is believed that Nukunonu's ability to lead maximizes the opportunity for fine-tuning and will assist the other two villages, which are invited to send observers to Nukunonu.

9. In December 2000, a six-day workshop on management support training sponsored by UNDP was held in Samoa. The objectives of the course, which was attended by representatives of the Tokelau Public Service, the three Taupulega and the village administrations, were to provide training on project planning and management, writing skills and financial

management and also to assess further training needs.³ From January 2001, the Transition Team spent two weeks on each atoll to consult on good governance, conduct workshops, review the national and village administration, complete training needs identification and inform people about the project.

10. On 8 March 2001, the Joint Committee met to review progress and study a series of reports. Among the decisions taken were to note the Taupulega's agreement to a village governance structure for Nukunonu and to the appointment of a village General Manager by July 2001; to approve a capacity-building programme; to approve the appointment of a National Project Manager for 12 months and the appointment of part-time village coordinators; and to develop a Modern House web site. With regards to new management structures, it was agreed that the Taupulega was the basis of government and decision-making, that new structures should promote the concept of public service, incorporating both national and village services, and that Tokelau's limited resources and skills should be maximized by the coordination, integration and sharing of services whenever possible.

B. Public service

11. The Modern House project is also Tokelau's way of addressing a historical problem stemming from its experience of an externally modelled Tokelau Public Service, under the management of the New Zealand State Services Commissioner, according to the Tokelau Amendment Act 1967, part I. While the Tokelau Public Service could be seen as the administering Power's best endeavour in the 1970s to provide services in education, health, energy, transport and communications, since then both the New Zealand and Tokelauan authorities have agreed that the Tokelau Public Service has produced a management structure that emphasized national arrangements over village ones, weakening, in the process, the institution of the village. In July 1998, at the request of the territorial Government, the State Services Commissioner appointed a New Zealand-based Tokelauan, Aleki Silao, as Commissioner of the Tokelau Public Service in order to ensure the effective and efficient running of the existing Service, and to assist Tokelau in developing and implementing a new independent

public service that would fit within the Modern House project.

12. The Government of New Zealand has legislation in place to enable responsibility for the Tokelau Public Service to be passed from the State Services Commission in New Zealand to Tokelau. The Tokelau Public Service Commissioner discussed the most appropriate and effective way of completing the hand-over as part of the visit to the atolls by the Transition Team in January 2001. He has stated that Tokelau could now move towards acquiring full responsibility for its human resources — village workforce and the public service — albeit with a helping hand from New Zealand.³ One formality remains to permit the State Services Commissioner's withdrawal on the planned date of 30 June 2001, through the repeal of the Tokelau Amendment Act 1967, part I. This is an Order in Council pursuant to the Tokelau Amendment Act 1999, whereby the Governor-General would recognize Tokelau's nominated successor to the State Services Commissioner as the employer for the Tokelau Public Service.

13. On 10 February 2001, the General Fono adopted the Tokelau Public Service Rules 2001, which established a three-member Tokelau Employment Commission (one member designated by each village) as the successor body, effective 1 July 2001. They also provide that, should the Commission not be prepared on that date, Aleki Silao should exercise, under rule 4, "all the powers of the Commission until the Commission is fully operational". The new Commission will be the employer of former employees of the Tokelau Public Service and those who are deemed to be national-level employees after 30 June 2001. Still to be determined are the rules required to cover employer arrangements in each village; they will depend on the confirmation of village structures, the first of which should be in place by June 2001. According to the Administrator, a positive feature of this transition is that it is encouraging Tokelauans to focus on employment issues in a new way and promoting discussion on national services and also on the operational arrangements to be established between village structures and the long-standing village workforces under the control of the Taupulega.

III. Economic conditions

A. Economic developments

14. Traditional and communal values and practices play a key role in contributing to a state of general well-being and equity in the Territory, as evidenced by the redistribute principles of traditional wealth (the inati system) and the importance attached to upholding the concept of the family and/or the extended family. The tradition of inati requires the deposition at a central location of food and produce, which are then apportioned by the distributors on the basis of "share groups". The principle provides for a secure distribution system that caters to the needs of every member of the community, including the elderly, widows, single parents and children. Major constraints on economic growth include natural disadvantages, such as the small size of Tokelau, isolation, the geographical spread of the atolls, limited and poor natural resources, and proneness to natural disasters (such as cyclones). Tokelau's economic stability has so far been made possible by the high levels of assistance provided by the administering Power.

15. In March 2000, representatives of Tokelau and New Zealand held formal talks on the Territory's bilateral development assistance programme. Total expenditure by the New Zealand Official Development Assistance programme for Tokelau for the financial year 2000/01 was projected at 8.5 million New Zealand dollars. Of that expenditure, NZ\$ 4.5 million is ongoing support for self-government and NZ\$ 2.7 million is earmarked for project support in such areas as health, education, power supply, maintenance, infrastructure, telecommunications, financial management, gender and development and meteorological services (see paras. 17-22 below). In addition, NZ\$ 1.26 million is destined for transitional support, with NZ\$ 900,000 specifically earmarked for the Modern House project. Both parties continue to draw on the services of an independent economic and financial adviser.

16. While the bulk of development assistance to Tokelau has been bilateral support from New Zealand; UNDP also contributes from its office in Apia, Samoa, to the strengthening of the Territory's social and economic capabilities as it moves towards greater self-government and self-reliance. A UNDP mission to Tokelau in July 2000⁴ discussed with the Council of

Faipule the need to close down a number of old UNDP projects and focus on ensuring the success of the Tokelau/UNDP country cooperation framework for 1998-2002. In September 2000, a UNDP/United Nations Educational, Scientific and Cultural Organization (UNESCO) mission visited Tokelau with the objective of facilitating the integration of the Modern House framework and the UNDP governance project and to provide UNESCO technical backstopping to the power supply component.⁵ Within the UNDP programme of assistance,⁶ the governance project provides total UNDP funding of US\$ 214,000 in direct support to the Modern House project. It focuses on macro-level financial management and strategic economic planning and also stresses the management of the public power supply considered vital for the functioning of both Government and the community. The job creation and sustainable livelihoods project, to be implemented by the International Labour Organization (ILO) with funding of US\$ 148,000, aims to develop the private sector in the three atolls by stimulating small, home-based enterprises, diversification in agriculture and development of fisheries. Both projects are linked to job creation and sustainable livelihoods programmes within the Enterprise Development Agency newly created by the New Zealand Official Development Assistance. Other ongoing projects are the household income and expenditure survey, with US\$ 150,000 allocated to Tokelau, which aims to provide the Government with data on the needs of vulnerable sectors (youth, women, children, the elderly and the disabled) and a project to improve the monitoring and oversight capacity of the UNDP country office in Samoa.

B. Communications

17. The first use of the General Fono's legislative power was the establishment of Telecommunications Tokelau Corporation under the Tokelau Telecommunications Rules of 1996. The NZ\$ 4 million international telecommunication service was inaugurated in April 1997 and is contributing to the Territory's progress towards self-determination by facilitating Tokelau's contact with the outside world. Previously, Tokelau had to rely on short-wave links to Samoa and a mail ship that visited every five weeks. Of the total cost, New Zealand contributed NZ\$ 1.5 million and Tokelau NZ\$ 1.6 million. UNDP and the

International Telecommunication Union (ITU) provided the balance. Recently, ITU agreed to a request by the Government to utilize residual project funds for further communications needs, such as the installation of modems on Atafu and Nukunonu to complete the teleconferencing link between the three Faipule and upgrading work in the system to support this.⁴ Plans are still in place for a US\$ 35,000 project funded by the Small Island Developing States Network (SIDSNET) to set up an email system in Tokelau. The forward aid programme (2000/01) of the New Zealand Official Development Assistance has also set aside NZ\$ 50,000 for the Telecommunications Tokelau Corporation to install email and to make the switch from the Telstra Demand Assigned Multiple Access (DAMA) satellite equipment, which has been used up to now, to the more suitable Intelsat DAMA equipment.

C. Power supply

18. The 2000/01 forward aid programme of the New Zealand Official Development Assistance has allocated NZ\$ 1 million to the power supply project for Tokelau. This funding is considered sufficient to enable the installation of additional diesel generation power systems on two atolls during the year. A recent technical report on power supply options concluded that only a diesel system would generate enough power to run village freezers purchased for a fisheries venture.

IV. Social conditions

A. Education

19. Under Tokelau's compulsory education system, primary and secondary education is available to everyone. As a member of the University of the South Pacific, Tokelau also has access to the USPNet educational telecommunications system through a satellite established in Atafu. However, the low standard of the education system remains a problem, with many families migrating to New Zealand or Samoa in order for their children to receive higher-quality education. Reflecting the priority given to educational needs, the forward aid programme 2000/01 of the New Zealand Official Development Assistance allocated NZ\$ 520,000 to this sector: NZ\$ 240,000 to be spent on scholarships, funding 14

awards for secondary and tertiary study in New Zealand; NZ\$ 150,000 on a long-term teacher-training project to address the teacher shortage and upgrade teaching skills; NZ\$ 30,000 to fund two teachers assigned to Tokelau through the Volunteer Service Abroad programme; and up to NZ\$ 100,000 for computers in schools, to include software, maintenance and protection of hardware and professional development for teachers.

B. Health

20. Average life expectancy is 69 years.⁷ There are three hospitals, one on each atoll. However, the shortage of qualified medical practitioners, surgeons and general healthcare workers remains a serious problem. The necessity of transferring the more serious cases to Samoa or New Zealand for treatment represents a large expense in the national budget. The World Health Organization (WHO), of which Tokelau is an associate member, reports that changes in lifestyle and an increase in non-communicable diseases in Tokelau have resulted in the need for health education programmes focused mainly on the promotion of non-smoking, increasing physical activity and controlling the use of alcohol among young people.⁸ According to WHO, the first Tokelauan WHO fellow from the Bachelor of Medicine Bachelor of Surgery programme at the Fiji School of Medicine graduated in the biennium 1998-1999. The United Nations Volunteer programme has covered the need for a surgeon and maternal/child health practitioner and a preventive oral health programme is being developed. WHO also reports the installation of a diagnostic service facility in Nukunonu, which includes a laboratory and an X-ray unit. As at November 2000, Tokelau had no recorded cases of HIV/AIDS.⁹

21. For 2000/01 NZ\$ 420,000 was allocated to the health sector in the forward aid programme as follows: NZ\$ 100,000 in support to medical referrals and the development of community health programmes, information technology and telemedicine; NZ\$ 30,000 to fund at least one locum doctor to be present in Tokelau at all times; NZ\$ 40,000 for physical upgrading of the three hospitals; NZ\$ 100,000 to purchase hospital equipment, two gas/kerosene cold-chain refrigerators for storing vaccines at Nukunonu Central Hospital and in Apia, Samoa, and an appropriate computer system and digital camera to

allow for telemedical links; NZ\$ 50,000 for the purchase of drugs; and NZ\$ 100,000 for training, including six nursing students in Fiji and Samoa, one student at the Fiji School of Medicine and three medical staff per year to attend short courses in surgery procedures, health education and management.

C. Status of women

22. Women are well integrated in Tokelauan society. They participate fully in the village decision-making process, through Fatupaepae (women's committees), the village Councils of Elders and their membership in the General Fono. The new electoral system for the General Fono has increased gender equity. Women elected to the General Fono no longer function as the representative of the women's committee, but are responsible for representing all the people of the village. At bilateral discussions held in March 2000, concerns were expressed regarding the slow progress in the area of gender and development in recent years. Lack of communication between the Fatupaepae and officials in Wellington was identified as a primary cause of this. It was proposed that a direct link between the presidents of the women's committees on each atoll and the development project manager should be established so that the women could submit proposals directly. The forward aid programme for 2000/01 allocated NZ\$ 50,000 to gender and development to be applied to specific priority projects identified by the Fatupaepae. It could also include salary payments for positions set up to assist women's social and economic development.

V. Consideration of the question by the United Nations

A. Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

23. Aliko Faipule Kolouei, the Ulu O Tokelau (titular head of Tokelau), Falani Aukuso and Lindsay Watt (Administrator of Tokelau) attended the Pacific Regional Seminar organized by the Special Committee to review the political, economic and social conditions

in the small island Non-Self-Governing Territories, held at Majuro, Marshall Islands, from 16 to 18 May 2000. The Special Committee considered the question of Tokelau at its 7th and 11th meetings, on 10 and 12 July 2000. At the 7th meeting, a statement was made by the Administrator of Tokelau (see paras. 26-28 below). At the 11th meeting the representative of Papua New Guinea introduced revised draft resolution A/AC.109/2000/L.10/Rev.1 which the Special Committee adopted without a vote (A/AC.109/2000/26). Statements were made by the representatives of the Syrian Arab Republic, Chile and Antigua and Barbuda.¹⁰

B. Special Political and Decolonization Committee (Fourth Committee)

24. At its 3rd meeting, on 25 September 2000, the Special Political and Decolonization Committee (Fourth Committee) of the General Assembly heard a statement by the Permanent Representative of New Zealand to the United Nations (see A/C.4/55/SR.3, para. 35). At its 8th meeting, on 3 October 2000, the Committee adopted the draft resolution entitled "Question of Tokelau" recommended by the Special Committee, without a vote.¹¹

C. Action by the General Assembly

25. At the 83rd meeting of the General Assembly, on 8 December 2000, the Rapporteur of the Special Committee introduced the report of the Special Committee to the General Assembly. With regard to Tokelau, he stated that the Special Committee had noted the firm commitment of the Territory to the development of self-government and to an act of self-determination. It commended Tokelau for its ongoing work in charting a distinctive, constitutional course that reflected its unique traditions and environment. It acknowledged the participation of the Tokelau representative in the Pacific Regional Seminar and the progress made by the Territory. It also acknowledged the effective and positive role of New Zealand as the administering Power and its commitment to meet its obligations to the United Nations (see A/55/PV.83). At the same meeting, the Assembly adopted resolution 55/143 on the question of Tokelau without a vote.

VI. Future status of the Territory

A. Position of the administering Power

26. Speaking before the Special Committee on 10 July 2000, the Administrator of Tokelau, Lindsay Watt, said that New Zealand had long been committed, under Article 73 of the Charter of the United Nations, to develop self-government in Tokelau, taking due account of the political aspirations of its people, and to assist them in the progressive development of their political institutions. The practical question had always been how best to deliver upon that commitment. Contact with the outside world had touched Tokelau more than colonialism itself — there had never been a resident administering Power in the Territory. The core challenge for Tokelauans today was two-fold: on the one hand contact with the modern world made any reversion to subsistence times non-viable, while, on the other hand, there was an instinctive wish to experience afresh the sense of autonomy enjoyed in earlier centuries, when decisions were taken within the traditional consensus environment reflected in Tokelau's foundation — the village. Within that context, self-determination — the outside world's goal — had become a realizable objective for Tokelauans too.

27. The Administrator stated that much had been done since 1994 to advance in that area. The Modern House project was about the practicalities of moving forward. It focused on village-level governance, building capacity and support structures but it would attend also to national requirements. In June 2000, the traditional and elected leadership had taken the final decision to go ahead. Until then, no outsider could have taken that decision for granted. The project was well supported with substantial additional funding provided by New Zealand and a useful contribution from UNDP. Basic questions arose, such as whether Tokelauan culture and way of life could survive through the new century. Thus all concerned were determined to bring together the governance and economic development dimensions of the project and to ensure that the structures and approaches undertaken were collectively considered, for nothing could work without social cohesion. There was also a need to maintain economic and cultural links to the more than 6,000 Tokelauans who now lived in other parts of the world. Tokelau and New Zealand had discussed consensus language for the Special Committee

resolution on the Territory. It would be useful if the resolution captured something of the present phase of heightened activity and reflected that the well-conceived process in place was not only aimed at self-determination but also had the capacity to carry things through to that end.

28. The Administrator went on to say that the case of Tokelau had a broader significance for the United Nation's decolonization endeavours as it promoted thought on political status and the status quo. The most likely end result in Tokelau's political status choice could be expected to be not too different from the status quo, but it would be codified in a politically and practically innovative way. Tokelau would probably decide on a range of desired features in its future relationship with its desired external partner (for effectively the Territory had ruled out the independence option). Then, when that was done and agreed upon, it would seek the outside world's help in putting the best available label on that relationship.

29. Speaking before the Fourth Committee on 25 September 2000, the Permanent Representative of New Zealand to the United Nations said that as an administering Power, New Zealand was pleased to report on further progress made by Tokelau over the past year towards a fuller measure of self-government. The development of self-government in Tokelau presented a special challenge because it was hardly a typical example of decolonization. It must be recalled that Tokelau consisted of three atolls, each no more than 200 metres wide and never more than 5 metres above sea level. Some 1,500 people lived in three villages on the atolls. Administrative control over Tokelau had been transferred to New Zealand in 1926 at the initiative of the Government of the United Kingdom of Great Britain and Northern Ireland.

30. The challenge for Tokelau at the start of the new millennium was to find the means to express itself as a nation. Traditional village leaders remained at the centre of political life, but today they had to be equipped with modern techniques of governance as well as traditional ones. In 2000, Tokelau had unequivocally informed the United Nations that its population was moving resolutely forward to build the so called "Modern House", a modern self-governance system. That determination had been reflected in the resolution adopted without a vote by the Special Committee on 12 July 2000 (see para. 23 above). The resolution was currently before the General Assembly

in the form of a recommendation from the Special Committee. It reflected Tokelau's view that the Modern House project was the means to achieve self-determination.

31. Within the Modern House project, the political authority of traditional leaders was to be recognized and practical arrangements for the governance of Tokelau were to be addressed. The idea of self-governance remained largely foreign to Tokelauans, although some progress had been made in developing a capacity for national government through the constitutional programme being carried out by New Zealand and Tokelau since 1992. Experience had shown that national government could take root only with the full confidence of the people. The project provided precisely the reassurance needed. In many respects, building the Modern House and drafting the constitution of Tokelau were one and the same process.

32. The focus now was very much on practical measures, including the development of management structures, the transfer to Tokelau of responsibility for human resource management, the formation of a civil service, capacity development and sustainable development planning. A draft programme of work for the period up to mid-2001 had been prepared. UNDP was seeking to ensure that its programmes in support of governance and sustainable development complemented the programmes financed by New Zealand. Two UNDP representatives and a representative of UNESCO were currently in Tokelau to observe the consultations being held in the three villages. Concerning the time frame for achievement of self-determination in Tokelau, he drew attention to the resolution of the Special Committee, which noted Tokelau's desire to move in that direction at its own pace. The collaborative efforts now under way would produce clearer guidance as to a feasible time frame. New Zealand was responding to Tokelau's needs by providing additional funding through official development assistance (A/C.4/55/SR.3).

B. Position of the people of Tokelau

33. The issue of self-determination is under active consideration by the people of Tokelau. On 10 July 2000, a statement by the three Faipule who comprise the Council of Faipule (Tokelau's ongoing executive body) was distributed to the members of the Special Committee. They began by stating that the end of the

International Decade for the Eradication of Colonialism was for Tokelau the beginning of a development phase that would make it possible for the Territory to exercise its inalienable right to an act of self-determination. The representatives recalled that they had informed the Special Committee of the objectives of the Modern House of Tokelau project at the Marshall Islands seminar in May and they had been granted the overwhelming support by the villages, endorsed by the General Fono in June, to implement those objectives. Consistent with the close collaboration between Tokelau and its administering Power, they would be working together with the Administrator, the Tokelau Public Service Commissioner and the village mayors, as members of the Joint Committee that would have management oversight over the Modern House project. In the next year there would be significant movement in implementing governance and constitutional arrangements, which would enhance Tokelau's capacity to fully govern itself internally. The good governance project between Tokelau and UNDP would assist greatly in achieving those aspirations. As they observed political unrest in neighbouring countries (and further afield), they were determined to sculpt governance arrangements that were enduring, non-divisive, relevant to their situation, consensus forming and which brought real benefits for their people. There would also be a major focus on sustainable economic development activities, such as a Tokelau Trust Fund, the establishment of an economic development agency and the UNDP-funded project on sustainable livelihood.

34. The statement concluded as follows:

"Today, we live by money. We ask ourselves are we capable of returning to the days of full subsistence living? In spirit that is our desire, in material terms it is more difficult. But we seek to find the modern expression of that spirit of self-help. To stand tall and proud with other toilers of the earth and harvesters of the sea's bounty ...

"Basic and major infrastructure development is not only a necessity, but also a facilitator for achieving internal self-government. We will continue the dialogue with the Government of New Zealand and will seek a comprehensive plan on how we manage these in the future ...

"Money makes possible the impossible and we wish once again to express our everlasting gratitude to the Government of New Zealand for, precisely, making the impossible possible. The Modern House of Tokelau project will materialize because of the extra assistance from Tokelau's administering State. UNDP too is to be commended for its flexibility in adjusting its funding assistance, thus targeting Tokelau's real needs. We thank you for the support ...

"We will not know what will happen unless we roll the wheel. The wheel is now turning and we are not afraid. Whether it is the main paddle or the steering wheel it is all the same. We know the direction we are going — the stars are there to guide us if we venture away from our destination. So too are there charts to help us from being adrift in calm waters, without movement. Your support, assistance and sensitivity are all landmarks of that chart."

Notes

¹ Information contained in the present paper has been derived from information transmitted to the Secretary-General by the Government of New Zealand on 1 August 2000, 23 February 2001 and 12 April 2001, from the organizations of the United Nations system and from published sources.

² Central Intelligence Agency, *World Factbook*, 1998.

³ He Ho Lava, Newsletter of Friends of Tokelau, vol. 1, issue 1, January 2001.

⁴ UNDP, Tokelau mission report, 10-16 July 2000.

⁵ Annual report 2000, United Nations Resident Coordinator for Samoa, Cook Islands, Niue and Tokelau.

⁶ UNDP programme of assistance to Samoa, Cook Islands, Niue and Tokelau, March 2001.

⁷ UNDP, Pacific Human Development Report, 1999.

⁸ Information received from WHO on 19 March 2001.

⁹ WHO data reported by Pacific Islands Report/Radio Australia, 1 December 2000.

¹⁰ A/55/23 (Part II), paras. 94-102, and A/55/23 (Part III), chap. XIII, sect. E.

¹¹ A/55/23 (Part III), chap. XIII, sect. E.



General Assembly

Distr.: General
23 April 2001

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Montserrat

Working paper prepared by the Secretariat

Contents

	Paragraphs	Page
I. General	1-4	3
II. Historical background	5	3
III. Constitutional background	6-8	3
IV. Political developments	9-15	3
V. Status of the Montsoufriere volcano	16-18	4
VI. Economic conditions	19-47	5
A. Budget	21-27	5
B. Banking and finance	28-30	6
C. Tourism	31-32	6
D. Economic activity, population and employment	33-40	7
E. Agriculture	41-46	8
F. Sustainable development plan and country policy plan	47	8
VII. Social conditions	48-66	8
A. Education	48-49	8
B. Housing and infrastructure development	50-54	9
C. Health	55-59	9
D. Community	60-61	10



E.	Human rights	62-63	10
F.	Evacuees	64-66	11
VIII.	United Kingdom development assistance	67-69	11
IX.	Assistance provided by the United Nations and other international organizations ..	70-78	12
X.	Participation in regional organizations and arrangements	79-80	13
XI.	Future status of the Territory	81-86	13
A.	Position of the territorial Government	81-82	13
B.	Position of the administering Power	83-86	13
XII.	Consideration by the General Assembly	87	14

I. General

1. Montserrat¹ is situated in the Leeward Islands in the eastern Caribbean, 43 kilometres south-west of Antigua and 64 kilometres north-west of the French Overseas Department of Guadeloupe. The island is 18 kilometres long and 11 kilometres wide and covers an area of 103 square kilometres, all of which is volcanic and mountainous. Its coastline is rugged and has no all-weather harbour.²

2. In July 1995, the Montsufriere volcano, dormant for more than 400 years, erupted and caused the evacuation of more than one third of Montserrat's population from the southern part of the island to its northern "safe" areas in August 1995. Montserrat's capital, Plymouth, was abandoned after the increase in volcanic activity in 1996. The temporary capital is now located in Brades and a new capital is being planned in Little Bay, which is situated on the north-east coast of the island.³

3. The population of Montserrat was 10,581 in 1995. In 1998, it was reduced to 3,500, although some sources give a lower figure of 2,800.⁴ In 1999, the population was estimated to be just over 4,600. Data from the voter registration rolls for the 2001 elections indicated that as of February 2001 the population of Montserrat was approximately 5,000, with nearly 3,000 over the age of 18. English is the only language in use by the entire population. The principal religion is Christianity, and the main denominations are Anglican, Roman Catholic and Methodist.

4. As of May 1999, the Territory, in conjunction with the administering Power, had a comprehensive programme in place for the reconstruction of the Montserrat economy.⁵ The sustainable development plan, which includes policies aimed at helping Montserrat go from a state of crisis to development, is to be put in place by 2002.⁶

II. Historical background

5. Montserrat, sometimes called the Emerald Island, was named after a Spanish monastery by Christopher Columbus on his second trip to the island in 1493. In 1632, the island became a British Colony, and its first settlers came mainly from Ireland. Slaves, who worked the cotton, sugar and tobacco plantations, were unsuccessful in an uprising in 1768.⁷ Although

Montserrat was occupied by France for brief periods of time, it returned definitively to British rule in 1783. Montserrat became a British Crown Colony in 1871.

III. Constitutional background

6. Montserrat is a Non-Self-Governing Territory of the United Kingdom of Great Britain and Northern Ireland. The Territory is administered by the United Kingdom under the Montserrat Constitution Order of 1989, which came into force in 1990. The Constitution provides for a Governor appointed by the Queen; an Executive Council comprising the Governor as President, the Chief Minister, three ministers and two ex officio members (the Attorney General and the Financial Secretary); and a Legislative Council, comprising a Speaker, two ex officio members (the Attorney General and the Financial Secretary), seven elected members returned from single-member constituencies on the basis of universal adult suffrage and two nominated members. Elections are held every five years on the basis of universal adult suffrage. The next elections were planned for November 2001. However after the resignation of two ministers in February 2001 and the collapse of the Government, the election date was advanced to 2 April 2001 (see para. 12).

7. Ministerial responsibilities cover all areas of government business, including finance. While the Governor retains responsibilities for external affairs, internal security, defence, the public service and offshore financial services, he is expected to act on the advice of the Ministers. During the Governor's absence, the Speaker of the Legislative Council acts as Governor.

8. The law of the Territory is English common law together with locally enacted legislation. It is administered by the Eastern Caribbean Supreme Court. The Royal Montserrat Police Force, headed by a British Commissioner together with his staff officer (a senior Superintendent) is funded by the technical cooperation programme. The force is made up of 51 people, of whom only 60 per cent are Montserratian.⁸

IV. Political developments

9. The current Governor of Montserrat, Anthony Abbot, has been in office since 1997. The newly

appointed Governor, Tony Longrigg, will assume office in May 2001. The new Chief Minister, John Osborne, took office in April 2001.

10. Montserrat's political party system is not very stable. The main political parties are the New People's Liberation Movement (NPLM) and the National Progressive Party (NPP). During the previous elections, in 1996, in the midst of the chaos resulting from the volcanic activity, voter participation was very low, none of the parties won a majority and a coalition Government was formed.

11. A new electoral system has been adopted. Because the majority of the constituencies of the Territory are currently uninhabitable following the eruption of the Montsoufriere volcano the entire island is considered to be one constituency. Nine at-large members are elected in two rounds of voting. The new Assembly does not include any nominated members. One of the important issues for the new system was the question of a qualifying pre-poll residence period. Initially, it had been suggested that the length of residence should be three weeks to make it possible for Montserratians who lived abroad to return home and vote. For the 2001 elections, the residency requirement was raised to 36 months better to reflect the opinion of the inhabitants of the Territory. However, this stipulation has caused some displeasure among the Montserratians living and working abroad.

12. The resignation of two Ministers in February 2001 upset the coalition Government, which had a one-seat majority among the seven elected seats of the Legislative Council. Under such circumstances, the Territory's Constitution requires holding new elections within 90 days. As a consequence, the election date was advanced from November to 2 April 2001. The elections brought an overwhelming victory for NPLM, which now occupies seven of the nine seats in the Legislative Council. The remaining two seats are held by NPP. Three of the elected representatives are women and two of them will serve as ministers. The voter turnout was 78 per cent of the total of 2,953 registered voters. Four of the winners obtained over 50 per cent of the votes.

13. The key campaign issues of the elections were improved relations with the United Kingdom, foreign and local investments, job creation and housing, as well as ways to encourage the return of Montserratians living overseas.

14. In March 1999, the Government of the United Kingdom issued a White Paper on the relationship between the United Kingdom and its Overseas Territories, entitled "Partnership for Progress and Prosperity: Britain and the Overseas Territories". The paper is contained in the annex to document A/AC.109/1999/1 and its key recommendations are outlined in document A/AC.109/1999/15 (para. 38).

15. In April 2000, in a speech given by the Under-Secretary of State for Foreign and Commonwealth Affairs, the administering Power stressed the theme of partnership based on four fundamental principles, reiterated its commitment to maintaining the right of self-determination and stated: "Where independence is an option and if it were to be asked for, we would not stand in any Territory's way. Neither do we have any hidden agenda to force any Territory to go down the independence route."⁸

V. Status of the Montsoufriere volcano

16. In July 1998, the administering Power commissioned the Montserrat Volcano Observatory to evaluate the status of the Montsoufriere volcano.⁹ The report, entitled "Scientific and Hazards Assessment of the Montsoufriere Volcano", which was released in March 1999, noted that when the magmatic eruption ended in March 1998, there were no signs that there would be any further eruptions in the near future. The report also described the residual activity during 1998 as being common in volcanoes where eruption was coming to an end. Such activity was still expected to pose hazards in the southern part of the island. At that time, the scientists assessed the probability of no eruptions occurring in the upcoming months at 95 per cent. The probability of the Montsoufriere volcano erupting again within the next five years was only 15 per cent, and 25 per cent within 10 to 30 years.

17. Nevertheless, the volcano erupted again in November 1999 and yet again in March 2000. No one was reported to be injured in the eruptions. The March 2000 eruption collapsed the dome that had been growing at an average rate of 3 cubic metres per second and caused pyroclastic flows, volcanic explosions and mudflows. The ash fall covered the entire island and extended to Guadeloupe and Antigua. According to a report of the Observatory in January

2001, the dome is at its largest size since the eruption began in 1995 and has a total volume of over 120 million cubic metres and an elevation of over 1,000 metres above sea level. The direction of dome growth has been predominantly towards the east with typically hundreds of rockfalls occurring per week. Further collapses and pyroclastic flows are anticipated. These are unlikely to pose a direct threat to areas outside the exclusion zone,¹⁰ but might result in ash fall in populated areas. At present, the risk to populated areas of Montserrat is considered low. However, in the event of a shift in the direction of dome growth towards the north or west, which could happen at any time, over a period of a few hours or days, the so-called safe zone would immediately become an area of high risk. The report states that observations of dome growth rates, seismicity and gas release rates indicate that it is unlikely that the eruption will cease within the next six months.¹¹

18. In late 1999, the Montserrat Volcano Observatory embarked on an intense local and regional public education campaign, including trips to neighbouring countries and the United Kingdom with the objective of delivering first-hand information and having discussions with disaster officials, local historians, communities of Montserrat citizens and the general public.¹²

VI. Economic conditions

19. Volcanic activity and hurricane damage have combined to seriously undermine Montserrat's economic development and have implications for its future planning.

20. According to a recent review by the Caribbean Development Bank (CDB), the real gross domestic product in Montserrat had been projected to grow by 4.4 per cent in 2000. However, according to the information published by *Caribbean Update* in April 2001, the economy is expected to record a 6 per cent decline, owing to a lag in the implementation of several projects and programmes. Although the northern part of the island has been declared relatively safe, foreign investors continue to be cautious, mostly because of the reluctance of insurance companies and banks to take risks.¹³ As efforts to rebuild the economy continue, economic activity centres on reconstruction, which is largely funded through the United Kingdom Department for International Development.¹⁴ The

country policy plan developed for Montserrat in 1999 is a three-year programme providing \$122.8 million in British budgetary assistance.¹⁵

A. Budget

21. During the 2000 budget presentation, the Chief Minister noted that the main objective of his Government was to create an economic turnaround, at the same time maintaining an appropriate balance between reducing the level of budgetary aid, and adequately providing for the needs of the population. He stated that the budget had two important points. First, 50 per cent of recurrent expenditure needs would, for the first time since 1996, come from locally generated revenue, and would equal or exceed the level of budgetary aid. This could be attributed to the reintroduction in 1999 and 2000 of certain fiscal arrangements that had been suspended during the volcanic crisis. Second, moderate economic growth was projected in the year 2000.

22. Expenditure during 1999 totalled EC\$ 59 million. The amount of local revenue raised was EC\$ 26 million. This included EC\$ 16.2 million received from direct taxes (mostly through property tax, company tax and personal income tax), which was EC\$ 1.3 million more than in the previous year. The deficit was funded by budgetary aid provided by the Department for International Development.

23. At the end of 1999, the rate of inflation as measured by the consumer price index stood at 0.8 per cent. Rent increased by 46 per cent, which was an improvement in comparison with a rate of 70 per cent at the end of 1998. The price of household goods increased by 10.5 per cent.

24. In his budget presentation, the Chief Minister stated that Montserrat's "independence in budgetary decision-making was often undermined" by donors influence. The Government viewed the relationship with the Department for International Development as a partnership whereby that institution provided much-needed budgetary support for those programmes that the people of Montserrat deemed to be beneficial to them. At the same time, the insistence by the Department on the strict application of the rules for international development represented a fundamental

concern. Thus although £75 million was allocated for three years, the Chief Minister said that before final approval was obtained for each project individually, it was necessary to go through many stages of correspondence lasting as much as two years. The Government of Montserrat considered that fast track rules should apply in their situation. The problem had been discussed many times with the Department.

25. Estimated expenditure for 2000 was EC\$ 54.4 million, which was 6 per cent less than the 1999 budget. The business incentive and revenue-generating measures introduced during the past two years resulted in raising local revenue to EC\$ 27.2 million in the year 2000. This represented a three-year growth trend and an increase of 5 per cent over 1999. The amount of EC\$ 16.2 million, or 60 per cent of the overall figure, would be raised from direct taxes. In order to encourage taxpayers to reduce their arrears, the Government waived penalties and interest, as well as introduced the requirement for exit certificates for those wishing to travel.

26. Health and community services represented the largest allocation, at EC\$ 12.3 million. This included, among others, an allotment of EC\$ 3.1 million to the food welfare scheme, the subvention to the Golden Years Home of EC\$ 900,000 and an amount of EC\$ 600,000 to be used to finance the sanitation programme. The Ministry of Communication and Works accounted for EC\$ 4.88 million. Allotment for education for 2000 increased by 16 per cent to EC\$ 4.4 million. The allocation to the Ministry of Agriculture, Lands, Housing and the Environment was EC\$ 4.2 million.

27. Under the Development Fund estimates, development expenditure in the year 2000 for projects executed directly by the Government was planned at EC\$ 94.5 million. Projects included a variety of land development and housing schemes, road works and road-related items such as the Asphalt Plant, equipment for the Public Works Department, projects related to electricity, financing of business, tourism and industrial development, seaport development and landside improvements. The Ministry of Communication and Works would be responsible for spending EC\$ 35 million, the Ministry of Agriculture, Lands, Housing and the Environment for EC\$ 27.4 million, the Ministry of Health and Community Services for EC\$ 12.5 million and the Ministry of Finance and Economic Development and Trade for EC\$ 11.4 million.

B. Banking and finance

28. According to a government press release, CDB agreed to restructure Montserrat's debt. CDB is the principal creditor of the Government of Montserrat, representing approximately 70 per cent of the Government's annual debt service. The agreement between CDB and the territorial Government provides for moratoriums of varying length on the principal and/or interest of 7 of the 12 loans held by the Bank.¹⁶

29. At the end of 1999, the Government's outstanding loan obligations remained largely unchanged and debt service payments were relatively small owing to the above-mentioned moratoriums, which still remained in effect. Domestic debt comprised treasury development bonds of EC\$ 6 million. The Government intended to reduce this amount by EC\$ 2 million when some bonds matured at the end of 2000. Government expenditure was 5 per cent higher than budgeted.

30. In June 2000, the Organisation of Economic Cooperation and Development (OECD) published a list of 35 countries, including Montserrat, labelled as offshore financial centres that had harmful tax practices. OECD insisted that those jurisdictions must improve their financial regulations and eliminate those practices or face sanctions. An independent review of financial regulation in the Caribbean Territories was published on 27 October 2000. It assessed the extent to which each Territory regulated its international financial sector and complied with international standards and good practice. The response provided by the Government of Montserrat in January 2001 recognized some deficiencies in the local regulation of financial services and the Government's intention to address them. This included the need for more trained personnel for the regulatory authority, improved level of supervision over the offshore banks, change of legislation for licensing and supervision of insurance and other outside companies. The response noted that certain aspects of the Territory's legislation were found to be compliant with good practice standards.¹⁷

C. Tourism

31. The negative impact on the economy of reduced visitor arrivals and spending has been significant. Although prospects for the tourism industry were not very bright, Montserrat's attempts to stay involved in international and regional tourism promotions and its

efforts in this regard have shown moderate results. The year 1999 witnessed the resumption of visits by passenger ships, including private yachts, and a steady growth in the number of day-trippers from Antigua and Barbuda. As a measure to promote tourism, a new 18-room hotel, a new restaurant and a nightclub have opened in the northern part of the island.

32. According to the Statistics Department Unit, 14,356 tourists visited Montserrat in 2000, compared with 6,937 three years earlier. The number of excursionists increased during the same period, from 1,067 to 4,000, while stay-over arrivals showed a 60-per-cent increase.¹⁸ Ferry and helicopter services to Antigua and Barbuda are also currently being provided.

D. Economic activity, population and employment

33. The increase in economic activity in 1998 was mainly attributable to public investment in the infrastructure, although private home-building and commercial building activity also played a role, once insurance coverage was re-established on Montserrat in these areas. The major economic activity remains the construction sector. In 1998, 290 buildings were started, with an estimated completion value of EC\$ 33.7 million; of that number more than 140 were government-funded housing units. By the end of 1999, the construction of another 100 new buildings had started, with an estimated completion value of EC\$ 15 million.

34. At the end of the second quarter of 1999, economic activity was at a low level, owing to the damaging effects of volcanic activity. Domestic credit was -9.9 per cent, compared with 6.4 per cent in the previous quarter, primarily as a result of the decrease in lending to the private sector. The amount of credit given to such economic sectors as construction and agriculture also declined substantially. Credit to construction fell by 33.1 per cent and credit to the agriculture sector fell by 28 per cent. However, loans granted for personal purposes remained at almost the same level, EC\$ 17.3 million.

35. In 2000, the severe weather conditions and hurricanes affected such sectors of the economy as agriculture and fisheries and caused damage to roads, public buildings and private property. Direct losses

alone were estimated at EC\$ 2.8 million — an equivalent of 4 per cent of the gross domestic product.

36. The Government continued to stimulate the development of the private sector of the economy, bringing the level of funds available for lending to small business to EC\$ 3.2 million. By March 2000, 103 loans were disbursed and the Government planned to provide a further EC\$ 1.8 million.

37. In June 1997, the Territory's population was estimated at 7,500. By August 1997, the population had declined to 5,800, as additional residents relocated after volcanic eruptions in June and July.¹⁹ The population continued to decline owing to growing danger of volcanic activity, and by August 1999 it was estimated at slightly more than 4,600. The voter registration for the April 2001 elections indicated a population of approximately 5,000. According to press reports, the administering Power has announced that it will underwrite the airfare of Montserratians who wished to return from abroad.²⁰

38. Unemployment stood at 7.7 per cent at the end of 1997 and 5 per cent in March 1998. According to the Montserrat Social Survey, the labour force had shrunk to 1,517 workers, with the Government as the largest employer on the island, with 33.1 per cent of the workforce. Construction accounted for almost 14 per cent; health and social work for 10.7 per cent; and wholesale and retail for 8.7 per cent.²¹ Inflation remained relatively high, at approximately 5 per cent, and was attributed largely to increases in building rents.²²

39. As a direct result of the volcano emergency, exports in 1998 declined to EC\$ 3.4 million, compared with EC\$ 22 million in 1997, before the closing of the rice mill and the electronic components factory, which had been major producers of export earnings in previous years. Imports dropped from EC\$ 80 million in 1997 to EC\$ 72 million in 1998; this decrease in part reflects the decrease in population from early 1997.

40. Taking into account that the re-establishment of traditional sectors of the economy, such as manufacturing and tourism, requires considerable investments and given Montserrat's limited financial resources, inadequate infrastructure facilities, including transportation arrangements, and reduced population size, the Government has proposed to examine the possibility of a greater involvement in service-oriented

businesses based on information technology, financial services and telecommunications.

E. Agriculture

41. In 1997, heavy emphasis was placed on acquiring, preparing and bringing into production as much suitable land as possible. The area of land under agricultural production by the end of 1997 was in excess of 16 hectares (40 acres). About half of this was located in a government project at Brades devoted almost exclusively to vegetable production, with the aim of reducing the level of food imports. By October 1998, the area under cultivation had increased to 24 hectares (60 acres).²³ The Ministry of Agriculture has prepared a number of plans to assist farms in those areas, and there has been some assistance provided by the Caribbean Agricultural Research and Development Institute.

42. Although data on agricultural output since June 1999 were not available, preliminary reports have indicated that the production of vegetables for the domestic market has increased, as evidenced by the decline in issuance of import licences for crops produced locally.²⁴

43. According to the Chief Minister, in 1999 the Government, with the assistance of the United Kingdom, the Department for International Development and Christian Aid, funded the purchase of seeds, fertilizer, tools, etc. He pointed out that despite the losses caused by the adverse weather conditions, the 1999 Agricultural Exhibition showed the resilience of the local farmers.

44. The Ministry of Agriculture, jointly with the Organization of Eastern Caribbean States (OECS), continued to support responsible farming, taking into account the decrease in available land, assisted in the construction of an abattoir and made efforts to address the problem of loose livestock.

45. A grant from the United Nations Development Programme (UNDP) was received for the fisheries industry. Assistance was also expected from the European Union. In this connection, the Government of the Territory prepared and forwarded to the European Union the estimates of the damage caused by Hurricane Lenny, which amounted to EC\$ 1.2 million.

46. Protection of the forests and preservation of the biodiversity in the northern part of the Territory remain an important issue. In 1999, progress was made in this regard with the demarcation of 750 acres as a forest reserve.

F. Sustainable development plan and country policy plan

47. In the face of the economic disruptions caused by the ongoing volcano crisis, the Government of Montserrat and the administering Power have signed a comprehensive sustainable development plan and a country policy plan, establishing the framework and direction of development in Montserrat until 2002. In 1999, these plans called for:

(a) Provision of serviced plots for housing development;

(b) Reorientation of water storage and reticulation systems to supply new customers in the north of the island;

(c) Commencement of the withdrawal from services previously provided by the private sector;

(d) Overhaul of fiscal and pricing policies and introduction of strategies to simplify and strengthen collection techniques;

(e) Programmes for potential privatization, contracting out and private finance initiatives in operation;

(f) Establishment of internationally competitive clear and non-discretionary inward investment legislation;

(g) Access to health services improved through a strengthened district level delivery system with an emphasis on primary and preventative care;

(h) Improvements in the provision of nursery, primary and secondary facilities.²⁵

VII. Social conditions

A. Education

48. In 1998, there were four government primary schools in operation in the designated safe zone, accommodating children from both the non-evacuated

and the evacuated areas. There are two private primary schools, one private secondary school and one amalgamated government secondary school with three campuses.²⁶

49. To meet the growing demand for school places at all levels, a number of projects were started in the safe areas of the Territory. One of them is the construction of pre-school facilities for 85 children. As of September 2000, the Government of Montserrat planned to offer primary education up to grade two. It intended to provide a full primary school as the number of students would increase in the area from Lookout to Sweeneys. Rehabilitation and reoccupation of the Salem Campus and of the Montserrat Secondary School was also planned for September 2000. Projections have been made (designs and budgets prepared) for an integrated, multidisciplinary, post-secondary institution, designed to offer programmes including A-level studies, vocational training and technical and computer education.

B. Housing and infrastructure development

50. In 1999, the territorial Government intended to assist 340 families to build homes through both "direct-build" and "self-build" schemes, including material grant assistance and a concessionary mortgage scheme. In support of this project, the Government planned to draw down its reserves by ECS 1.5 million in order to help finance additional self-build housing. Under the Self-build Materials Grant Programme, 213 dwellings were completed and another 115 houses were planned to be finished by the end of 2000. Fifteen units were completed in October 1999, with assistance from the Caribbean Community (CARICOM) (see para. 71).

51. As of January 2000, only 150 people were housed in emergency accommodations that had been built as a direct result of the volcano eruption. By March 2000, the Government had a housing stock of 270 houses and 92 family units.

52. According to the Chief Minister, the Government continued to experience delays and difficulties with the soft mortgage and housing assistance project approved by the Government of the United Kingdom in 1998. He stated that the tender to operate the project had been won by the Bank of Montserrat and the documentation had been prepared accordingly. However, the

Department for International Development had altered the terms of the project so much that it bore little resemblance to the original concept, and the Bank of Montserrat could not undertake the project in its altered form. The Chief Minister also reported that no understanding with the Department had been reached on the manner of payment of mortgages by certain civil servants. In mid-2000, the Territory signed onto a \$3 million British mortgage assistance programme, which will be funded by the Department and administered by the Bank of Montserrat.²⁷

53. The rehabilitation of the electricity, water supply and road network systems was expected to be complete in the Isles Bay area of central Montserrat by mid-2000. These projects have been undertaken with financial assistance from the United Kingdom.²⁸ In addition, recently enacted social welfare legislation comprising a means-related benefit system has replaced the previous system of monthly payments to those people who had been forced to evacuate the southern part of the island.

54. Feasibility studies are being conducted for the construction of a new port and airport, as well as a cricket stadium for the World Cup in 2007.²⁹ The airport construction faces a number of problems. The site for a new landing strip promised by the British Prime Minister in 1997 has not yet been chosen. There is no certainty whether it is safe for aircraft to land at either of the designated areas. Furthermore, competition between potential contractors and land vendors has also contributed to the delays.³⁰

C. Health

55. Community health clinics, providing free services for Montserratians, are in operation in the safe zone at three locations: St. Peter's, Cudjoe Head and St. John's. In addition, there are two private medical practitioners and one private dental practitioner on the island.³¹

56. According to the Chief Minister, during 1999 work to refurbish the hospital at St. John's was completed. The hospital now has 30 beds, places for 50 elderly persons, a new pharmacy, a laboratory and medical records facilities and new casualty, X-ray and outpatient departments. The need remains for an operating theatre, a mortuary and storage facilities. Some services that are not available in the Territory on

a full-time basis are procured through ongoing arrangement with visiting specialists. Long-standing arrangements exist with some countries for those patients who need specialized treatment.

57. According to the information provided by the World Health Organization (WHO), a health project developed by the Government of the United Kingdom, which aims to rebuild the health services in Montserrat to the pre-volcanic level, includes a major infrastructure development component. Technical assistance will be provided by the Pan American Health Organization (PAHO) by mid-2002. It is planned to define and elaborate the concrete details of the project (see also para. 77).

58. During the period under review, the Montserrat Volcano Observatory advised the population on the extent to which volcanic ash continues to adversely affect the air quality.

59. At the beginning of 2001, the local Red Cross embarked on an educational project to raise adult awareness of the dangers of HIV/AIDS. Around 50 sessions are planned to be held in the governmental and public service institutions, banks, prisons and various workplaces. The project is funded by the Office of the Governor.

D. Community

60. Of ongoing concern is the disruption of social ties and communities as a result of the volcanic crisis. According to the Montserrat sustainable development plan, which was completed in November 1998:

"Prior to the volcanic activity, social welfare in Montserrat was achieved through a combination of publicly financed initiatives and non-State activities. Strong community and family relationships were the basis of a support and assistance network, which combined effectively with limited targeted public assistance for the most vulnerable. Education and certain health services were provided free at the point of delivery for all Montserratians ...

"The policy approach, objectives and targeting of the pre-volcano system have been distorted by measures introduced to cope with emergency conditions, in particular with respect to housing and income, as individuals and

families have lost their homes and livelihoods. The associated break-up of families and communities has also meant that individuals are now much more dependent upon the State than in previous times.

"A key theme to emerge during the preparation of the sustainable development plan was the desire by individuals to continue to have access to support mechanisms from the State during the period of crisis and redevelopment ... The social welfare review (commenced in September 1998) stresses the fact that a more targeted system can be developed quickly and that a combination of government provision for the most needy, the re-establishment of independence and encouragement of community responses to welfare needs is the best way forward."²³

61. According to the Chief Minister, more skills training opportunities are needed in order to provide a greater sense of worth and to keep young people meaningfully occupied and to better prepare them for the job market. In this respect he emphasized the importance of a project to create a post-secondary educational institution. The Department of Community Services intended to arrange career planning and advice sessions for all age groups.

E. Human rights

62. In a report submitted to the United Nations Committee against Torture under article 19 of the Convention against Torture on 1 April 1998, the administering Power made the following statement with respect to Montserrat:

"Since the submission and examination of the second periodic report under the Convention in respect of Montserrat, the life of the population of the Territory has been dramatically affected — indeed catastrophically disrupted — by the eruption of the Montsoufriere volcano ...

"Despite this situation, the Government and people of Montserrat remain firmly committed to the principles of the Convention and the Government of the Territory will continue at all times to seek to ensure that the requirements of the Convention are as scrupulously observed as circumstances permit ... There have been no

relevant changes in the law since the previous reports and, certainly, there have been no alleged incidents of torture or of cruel, inhuman or degrading treatment or punishment. As previously reported, judicial corporal punishment was abolished in Montserrat as far back as 1991.

"Nevertheless, the physical and economic difficulties under which Montserrat is now labouring have, in one field that is relevant to the Convention, necessitated the adoption of arrangements that it is acknowledged are unsatisfactory but that cannot immediately be ameliorated. As explained above, with the destruction of Plymouth Montserrat also suffered the destruction of its prison. Since then, largely ad hoc arrangements have had to be made for the accommodation of prisoners."³²

63. According to press reports, there are currently facilities to house prisoners for short periods of time. The majority of prisoners with longer sentences are sent to other overseas Territories administered by the United Kingdom; prisoners rarely serve their time in the United Kingdom.³³

F. Evacuees

64. Assistance to Montserratians who chose to relocate within the Caribbean is provided by the Department for International Development. The programme, called Targetted Assistance for Montserratians in the Caribbean, was established to provide financial assistance to vulnerable groups who were unable to meet their essential needs, including food, rent, utilities, medical expenses, etc. The Department also provides funding for Montserrat associations and non-governmental organizations assisting evacuees, and helps in purchasing tools and materials for the establishment of businesses. A small business programme for evacuees in Antigua and Barbuda and in Bermuda was set up and is managed through the Citizens and Friends of Montserrat. The adequacy of the assistance and the level of support available to the evacuees became the subject of discussion in the local press. The Department has begun a reassessment of the aid recipients' needs.³⁴

65. Reports also indicate that evacuees are concerned that the electoral arrangements, as reviewed in 1999,

do not provide them with the opportunity to take part in the 2001 elections.

66. Neighbouring countries have made a considerable contribution to the well-being of evacuees. According to the Government of Antigua and Barbuda, the population of that country increased by 5 per cent as it has absorbed displaced Montserratians. The relocated inhabitants of the Territory are provided with medical benefits and social services. Free education is offered to students from kindergarten up to tertiary level.

VIII. United Kingdom development assistance

67. In paragraph 7.10 of its White Paper (see para. 14), the administering Power summarized its aid to Montserrat as follows:

"We have committed £75 million to Montserrat for the three-year period 1998/99-2000/01. This is additional to the £59 million spent in the three years since the volcanic crisis started in 1995. Our support finances budgetary aid and the rebuilding of the north of the island where the remaining population live (4,500). We are also providing support for evacuees in the Caribbean region and have financed passages for evacuees to the Caribbean, the United Kingdom and North America. The costs of supporting evacuees once they arrive in Britain are met by the relevant Home Departments. We agreed with the Government of Montserrat in November 1998 on a sustainable development plan setting out broad policies needed for economic and social recovery of the island. This formed the basis of the joint country policy plan agreed in January 1999, which includes an indicative investment programme for the period to March 2001."²

68. Assistance included provision of infrastructure and housing, a hospital, schools, a ferry and helicopter service, assistance to small-scale private sector companies and expertise to assist the Government with a wide range of public service activities.²

69. In March 2000, the United Kingdom announced that it would donate a naval patrol boat to the Montserrat police to help fight drug-trafficking in the Caribbean. The United Kingdom Government will also

contribute EC\$ 160,000 towards the construction of a cultural centre in the northern part of the island.³⁵

IX. Assistance provided by the United Nations and other international organizations

70. United Nations assistance to Montserrat is provided mainly through UNDP, which maintains programmes of technical cooperation with five Non-Self-Governing Territories of the Caribbean, including Montserrat.

71. After the first volcanic eruptions in 1995, UNDP provided emergency resources of US\$ 165,000 for emergency shelter and housing efforts. Funding for these efforts came from the UNDP special programme resources and line 1.1.3 of the target for resource assignment from the core (TRAC) emergency programmes. That money has been used as part of the funding for the CARICOM Village, a housing project administered by CARICOM. UNDP has also provided technical support to the territorial Government in civil engineering, environmental planning, disaster management and preparedness, building management and architectural services. (For more detailed information about the country cooperation framework, see UNDP document DP/CCF/MOT/1.) Support for the Government's sustainable development strategy will be the ongoing focus of UNDP efforts in the Territory.

72. On 26 January 1999, the Executive Board of UNDP and of the United Nations Population Fund authorized the Administrator to shift support of programmes in Montserrat to a case-by-case basis, as requested by the territorial Government. The decision had been reached after a review of the current situation in the Territory.³⁶

73. The two main focuses of a newly approved UNDP project in 1999 were: (a) support for vulnerability mapping and strengthening of national disaster management; and (b) preparedness plans. The project is being funded both by the Governments of Montserrat and the United Kingdom.

74. UNDP has been unable to reverse the Executive Board's conferral of net contributor country status on Montserrat, owing to the island's high level of per capita gross national product. It has, however, participated in the review of and provided advice on

Montserrat's sustainable development plan and assisted in finalizing the country policy paper together with authorities of the United Kingdom Government.

75. According to press reports, the European Union has allocated at least 16 million European currency units to Montserrat, of which ECU 8 million is to be used for airport reconstruction and the rest for poverty-alleviation programmes, such as home-building projects.³⁷ In 1998-1999 the European Union provided US\$ 0.3 million in aid.³⁸

76. WHO, working together with PAHO, has developed a programme of assistance for Montserrat, in response to the priority needs as defined by its local Government. The programme for 2000-2001 addresses these priorities through three projects: environmental health, health promotion and disease prevention, and health services development. Specific aspects of these projects for Montserrat include training in community care for the elderly by means of fellowships to the University of the West Indies; developing a defined policy and plan of action for the care for the elderly through the Department for International Development assisted project; training in psychiatric and elderly nursing, operating theatre and other techniques. The programme for disaster preparedness and mitigation assists with emergency referrals of patients and with organizing short-term replacement of health personnel.

77. According to the information received from the United Nations Conference on Trade and Development (UNCTAD), representatives of Montserrat participate in various workshops within the Programme on Training Development in the Field of Marine Transport (TRAINMAR), which are specially designed for national officials, managers and trainers in maritime and port management in the Caribbean region.

78. The United Nations International Drug Control Programme provides assistance to Caribbean Non-Self-Governing Territories in subregional projects carried out in the context of the Plan of Action for Drug Control Coordination and Cooperation in the Caribbean. Montserrat participates in a United Nations International Drug Control Programme project designed to assist customs administrations in the establishment of a regional clearance system for small vessels and light aircraft in order to improve the interdiction of illicit drug-trafficking.

X. Participation in regional organizations and arrangements

79. The Territory continues to be a member of CARICOM and OECS, as well as the institutions associated with both groups, including the University of the West Indies, CDB and the Eastern Caribbean Central Bank. Montserrat is an associate member of the Economic Commission for Latin America and the Caribbean (ECLAC) and its subsidiary bodies. The Territory is represented at the meetings of the Caribbean Group for Cooperation in Economic Development, sponsored by the World Bank.

80. The Twelfth Inter-sessional Meeting of the Conference of Heads of Government of the Caribbean Community held in Barbados from 14 to 16 February 2000 adopted a number of conclusions and decisions having a bearing on the Territory. These include:

(a) An agreement establishing the Caribbean Court of Justice, which is considered to be an integral component for the efficient functioning of a CARICOM single market and economy;

(b) Giving priority to the implementation of the CARICOM single market and economy, in order to enable the region to take advantage of the opportunities created by hemispheric and global liberalization;³⁹

(c) The decision to convene a regional summit on tourism in July 2001, given the importance of tourism to the economic development of the region;

(d) Welcoming the high-level consultations with OECD and the first meeting of the Joint Working Group held in January 2001, as creating the opportunity for non-OECD countries to provide a coordinated response;⁴⁰

(e) Expressing concern at the growing prevalence of HIV/AIDS and its impact on the social and economic development of the region, and supporting the objectives of the Pan-Caribbean Partnership to combat HIV/AIDS.⁴¹

XI. Future status of the Territory

A. Position of the territorial Government

81. On 30 March 1999, in presenting the 1999 budget, the Chief Minister of Montserrat acknowledged the publication of the White Paper on relations between the United Kingdom and its Overseas Territories, as follows:

"We feel that this is a welcome opportunity for a full review of the constitutional relationship between the United Kingdom and the colony of Montserrat. Perhaps the time has come for all Montserratians to be given the chance to discuss and determine the nature and the terms of our future constitutional status, and for such an exercise to produce a constitution over which we can claim true ownership and acceptance. Government is therefore considering the appointment of a constitutional commission to undertake the review and to make proposals for constitutional change. These proposals would draw on the work of the Electoral Commission which is presently ongoing, but would naturally adopt a much wider scope and purpose."

82. The Chief Minister of Montserrat expressed his preference for independence within a political union such as OECS. He also stated that self-reliance was more important than independence from the United Kingdom.

B. Position of the administering Power

83. On 26 September 2000, the representative of the United Kingdom made a statement before the Fourth Committee of the General Assembly. In her statement, the representative stated that she was pleased to report that further progress had been made towards the modernization and development of the relationship between the United Kingdom and its overseas Territories.⁴²

84. The United Kingdom representative said that 1999 had seen the inaugural meeting of the Overseas Territories Consultative Committee, the key forum in the modern partnership relationship between the United Kingdom and the Governments of the overseas Territories. Following the success of the first meeting, which had taken place shortly after the previous year's

debate, the second meeting would be held in London in October 2000. The meeting provided a forum for structured political dialogue and exchange of views between the elected representatives of the overseas Territories and the Government of the United Kingdom. It was an opportunity to continue dialogue on the management of public affairs and the future development of the overseas Territories, and enabled ministers and Governments of overseas Territories to consult on matters such as the process of constitutional review and human rights issues arising from the United Kingdom's international commitments. In 2000, good governance, justice, internal security and sustainable development would be among the topics discussed.

85. The United Kingdom representative stated that the United Kingdom's partnership was evolving, not static, and working well. For instance, in the field of disaster prevention and management, a working seminar had been held in the British Virgin Islands in June, which had done much to help the Territories share experience and to establish a working set of contacts and systems to help deal with any future such events. The United Kingdom continued to support the overseas Territories that needed it. At the same time, in the spirit of partnership, the United Kingdom continued to promote sustainable development in the overseas Territories, working out and agreeing with their strategic country programmes.

86. The representative of the United Kingdom said that the record showed, for the United Kingdom, the wishes of the peoples concerned, exercised in accordance with the other principles and rights set out in the Charter of the United Nations and in other international treaties, were of paramount importance. The relationship continued to be based on the principles of self-determination, mutual obligations, freedom for the Territories to run their affairs to the greatest degree possible and a firm commitment from the United Kingdom to help the Territories economically and to assist them in emergencies. The representative of the United Kingdom stated that she was sure the Fourth Committee recognized the commonality of approach between her Government and the Committee. Nevertheless, she continued, it was a pity that while there was so much in common in their approaches, it was not always properly reflected in all relevant resolutions, in particular of the Special Committee. The United Kingdom welcomed the fact that the annual "omnibus" resolution stated that "in the

decolonization process there is no alternative to the principle of self-determination" (General Assembly resolution 55/144 A). The United Kingdom therefore regretted that the Special Committee continued to apply this principle selectively. This principle was enshrined in the Charter of the United Nations and the International Convention on Civil and Political Rights. The representative of the United Kingdom said that the United Kingdom welcomed the efforts made by the Special Committee under the constructive leadership of its Chairman, Ambassador Peter Donigi, to pursue informal dialogue with the administering Powers with a view to ascertaining the wishes of the peoples of the Territories with a view to possible future removal of the Territories from the Committee's list. Careful preparations would be necessary before the United Kingdom could expect substantive progress to be made. But her Government remained ready to cooperate with the Committee in those efforts.

XII. Consideration by the General Assembly

87. On 8 December 2000, the General Assembly adopted without a vote resolutions 55/144 A and B on Non-Self-Governing Territories. Section VII of the latter resolution concerns Montserrat. In that resolution, the Assembly, among other things, called upon the administering Power, the specialized agencies and other organizations of the United Nations system, as well as regional and other organizations, to continue to provide urgent emergency assistance to the Territory in alleviating the consequences of the volcanic eruptions; and welcomed the support of the Caribbean Community in the construction of housing in the safe zone to alleviate the shortage caused by the environmental and human crisis of the eruptions of the Montsoufriere volcano, as well as the material and financial support of the international community to help alleviate the suffering caused by the crisis.

Notes

- ¹ The information contained in the present paper has been derived from published reports and information available on the Internet. The facts and figures presented in the working paper are the latest information available.

- ² "Partnership for Progress and Prosperity: Britain and the Overseas Territories", United Kingdom White Paper, March 1999 (A/AC.109/1999/1, annex).
- ³ The Economist Intelligence Unit, country profile, 1999-2000.
- ⁴ Trinidad and Tobago; Guyana; Suriname; Netherlands Antilles; Aruba; Windward and Leeward Islands, 1st quarter 1998, The Economist Intelligence Unit, p. 74.
- ⁵ 1999 Montserrat budget, 30 March 1999; "New Plans for the Development of Montserrat", United Kingdom Foreign and Commonwealth Office (www.fco.gov.uk), 11 June 1999.
- ⁶ *The Montserrat Reporter* web site (www.montserratreporter.org), Montserrat Development Unit.
- ⁷ *Tribune Business News*, 29 March 2000.
- ⁸ Baroness Scotland at Wilton Park, 3 April 2000, Overseas Territories: Into the New Millennium Conference.
- ⁹ The Montserrat Volcano Observatory was established after the first eruption in 1995; the Observatory became a statutory body of the Government of Montserrat in 1999. Its role is to advise the civilian authorities on the volcanic activity and the associated hazards. Funding for the Observatory comes mainly from the United Kingdom Government's Department for International Development.
- ¹⁰ The southern part of the island, including the capital, Plymouth, which was devastated by the eruption of the volcano in 1995.
- ¹¹ "Global Volcanism Program" (gvn@volcano.si.edu); and Scientific and Hazards Assessment of the Soufriere Hills Volcano, Montserrat, preliminary statement, 18 January 2001.
- ¹² www.montserratreporter.org, vol. XVI, No. 6, 23 February 2001.
- ¹³ *Caribbean Update*, vol. 17, No. 3, April 2001. See also para. 24.
- ¹⁴ The Economist Intelligence Unit, 14 February 2001.
- ¹⁵ The World Factbook 2000 — Montserrat (www.odci.gov).
- ¹⁶ *The Montserrat Reporter*, 30 April 1999.
- ¹⁷ Review of Financial Regulation in the Caribbean Overseas Territories and Bermuda: Implementing Recommendations, 8 February 2001 (www.fco.gov.uk/news/newstext.asp?4674).
- ¹⁸ *The Montserrat Reporter*, vol. XVI, No. 6, 23 February 2001.
- ¹⁹ 1998 Caribbean Basin Profile, p. 313.
- ²⁰ *The Montserrat Reporter*, 7 May 1999.
- ²¹ *Ibid.*, 13 March 1998.
- ²² Caribbean News Agency (CANA), Bridgetown, 25 April 1998.
- ²³ Montserrat Social and Economic Recovery Programme — a Path to Sustainable Development, November 1998 (www.mninet.com/devunit/sdp).
- ²⁴ Eastern and Caribbean Central Bank, *Economic and Financial Review*, vol. 18, No. 2, June 1990.
- ²⁵ CANA, NewsEdge Service, 24 March 2000.
- ²⁶ 1998 Caribbean Basin Profile, p. 315.
- ²⁷ *The Miami Herald*, 14 August 2000, via NewsEDGE/LAN.
- ²⁸ The Economist Intelligence Unit, 28 January 2000.
- ²⁹ *Los Angeles Times*, 28 October 1999.
- ³⁰ *Montserrat Alive Magazine*, January 2001.
- ³¹ *The Montserrat Reporter*, 7 May 1999.
- ³² CAT/C/44/Add.1, paras. 197-200.
- ³³ *The Montserrat Reporter*, 26 February 1999.
- ³⁴ *Ibid.*, vol. XVI, No. 12, 6 April 2001.
- ³⁵ CANA, NewsEdge Service, 15 March 2000.
- ³⁶ DP/1999/12 and Corr.1.
- ³⁷ *The Montserrat Reporter*, 30 April 1999.
- ³⁸ www.oecd.org/dac/images/AidRecipient/msr/gif.
- ³⁹ Recommendations adopted by the Second Special Consultation on the CARICOM Single Market and Economy, held in Barbados on 20 to 21 November 2000.
- ⁴⁰ The high-level consultation was held in Barbados on 8 and 9 January 2001 between the OECD and non-OECD countries; and the first meeting of the Joint Working Group established by the Barbados meeting was held in London from 26 to 28 January 2001.
- ⁴¹ Launched in February 2001.
- ⁴² See A/C.4/55/SR.4, paras. 1-4.